

FEDERAL REGISTER



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TITLE 3—THE PRESIDENT EXECUTIVE ORDER 10463

AMENDMENT OF SECTION 6.4 OF CIVIL SERVICE RULE VI

By virtue of the authority vested in me by section 1753 of the Revised Statutes of the United States (5 U. S. C. 631), by the Civil Service Act of January 16, 1883 (22 Stat. 403) and as President of the United States, it is ordered as follows:

Section 6.4 of Civil Service Rule VI, as amended by Executive Order No. 10440 of March 31, 1953, is hereby amended to read as follows:

§ 6.4 *Removal of incumbents of excepted positions.* Except as may be required by the Veterans' Preference Act, the Civil Service Rules and Regulations shall not apply to removals from positions listed in Schedules A and C or from positions excepted from the competitive service by statute. The Civil Service Rules and Regulations shall apply to removals from positions listed in Schedule B of persons who have competitive status, however they may have been or may be appointed.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,
June 25, 1953.

[F. R. Doc. 53-5713; Filed, June 25, 1953;
12:13 p. m.]

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 25—FEDERAL EMPLOYEES' PAY REGULATIONS

GENERAL COMPENSATION RULES

In § 25.103 the last sentence in paragraph (f) is amended and a new paragraph (g) is added as set out below.

§ 25.103 *General provisions.* * * *
(f) * * * This paragraph is effective December 17, 1952, for employees on the rolls of the agency on that date.

(g) When a position and its incumbent are changed from one schedule of the Classification Act to an equivalent grade in the other schedule (GS or CFC) the incumbent's initial rate of basic compensation under the new schedule

shall be determined under § 25.104 (c) (1) to (5) inclusive. The effective date of this provision is the date of publication in the FEDERAL REGISTER.

(Sec. 1101, 63 Stat. 971, 5 U. S. C. 1072)

UNITED STATES CIVIL SERVICE
COMMISSION,
[SEAL] WIL. C. HULL,
Executive Assistant.

[F. R. Doc. 53-5657; Filed, June 25, 1953;
8:50 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission [Docket 5941]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

BELVEDERE SEWING MACHINE CO., INC., ET AL.

Subpart—*Advertising falsely or misleadingly:* § 3.15 *Business status, advantages or connections*—Producer status of dealer or seller—*Manufacturer Subpart—Neglecting, unfairly or deceptively, to make material disclosure:* § 3.1860 *Imported product or parts as domestic.* In connection with the offering for sale, sale, or distribution of sewing machine heads or sewing machines in commerce, (1) offering for sale, selling or distributing foreign-made sewing machine heads, or sewing machines of which foreign-made heads are a part, without clearly and conspicuously disclosing on the heads, in such manner that it will not be hidden or obliterated, the country of origin thereof; and (2) representing, through the use in advertising of the word "manufacturers" or any other word or term of similar import or meaning, or in any other manner, that said respondents are the manufacturers of the sewing machine heads or sewing machines sold by them, unless and until such respondents actually own and operate, or directly or absolutely control, a manufacturing plant wherein said products are manufactured by them; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719; 15 U. S. C. 45) [Cease and desist order, Belvedere Sewing Machine Company, Inc., et al., Los Angeles, Calif. Docket 5941, April 9, 1953]

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(For use during 1953)

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Previously announced: Title 3 (\$1.75); Titles 4—5 (\$0.55); Title 7: Parts 1—209 (\$1.75), Parts 210—899 (\$2.25), Part 900—end (Revised Book) (\$6.00); Title 8 (Revised Book) (\$1.75); Title 9 (\$0.40); Titles 10—13 (\$0.40); Title 15 (\$0.75); Title 16 (\$0.65); Title 17 (\$0.35); Title 18 (\$0.35); Title 19 (\$0.45); Title 20 (\$0.60); Title 21 (\$1.25); Titles 22—23 (\$0.65); Title 24 (\$0.65); Title 25 (\$0.40); Title 26: Parts 80—169 (\$0.40), Parts 170—182 (\$0.65), Parts 183—299 (\$1.75); Title 26: Part 300—end, Title 27 (\$0.60); Titles 28—29 (\$1.00); Titles 30—31 (\$0.65); Title 32: Part 700—end (\$0.75); Title 33 (\$0.70); Titles 35—37 (\$0.55); Title 39 (\$1.00); Titles 40—42 (\$0.45); Titles 44—45 (\$0.60); Title 46: Parts 1—145 (Revised Book) (\$5.00); Titles 47—48 (\$2.00); Title 49: Parts 1—70 (\$0.50), Parts 71—90 (\$0.45), Parts 91—164 (\$0.40), Part 165—end (\$0.55); Title 50 (\$0.45)

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In the Matter of Belvedere Sewing Machine Company, Inc., a Corporation, and Joseph Primanti, Richard H. Turner and Lewis P. Reiterman, Individually and as Officers of Said Corporation, and Belvedere Sales Corporation, a Corporation, and Ben Krisiloff, Richard H. Turner and Joseph Primanti, Individually and as Officers of Said Corporation

This proceeding was instituted by complaint which charged respondents with the use of unfair and deceptive acts and practices and unfair methods of competition in commerce within the intent and meaning of the Federal Trade Commission Act.

It was disposed of, as announced by the Commission's "Notice" dated April 13, 1953, through the consent settlement procedure provided in Rule V of the Commission's rules of practice as follows:

The consent settlement tendered by the parties in this proceeding, a copy of which is served herewith, was accepted by the Commission on April 9, 1953 and ordered entered of record as the Commission's findings as to the facts, conclusion, and order in disposition of this proceeding.

Said order to cease and desist, thus entered of record, following the findings as to the facts¹ and conclusions,² reads as follows:

It is ordered, That respondents Belvedere Sewing Machine Company, Inc., a corporation, and its officers, and Joseph Primanti, Richard H. Turner and Lewis P. Reiterman, individually and as officers of said corporation, and Belvedere Sales Corporation, a corporation and its officers, and Ben Krisiloff, Richard H. Turner and Joseph Primanti, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of sewing machine heads or sewing machines in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Offering for sale, selling or distributing foreign-made sewing machine heads, or sewing machines of which foreign-made heads are a part, without clearly and conspicuously disclosing on the heads, in such a manner that it will not be hidden or obliterated, the country of origin thereof.

2. Representing, through the use in advertising of the word "manufacturers," or any other word or term of similar import or meaning, or in any other manner, that said respondents are the manufacturers of the sewing machine heads or sewing machines sold by them, unless and until such respondents actually own and operate, or directly or absolutely control, a manufacturing plant wherein said products are manufactured by them.

It is further ordered, That the respondents, Belvedere Sewing Machine Company, Inc., a corporation, and Joseph Primanti, Richard H. Turner,

and Lewis P. Reiterman, individually and as officers of said corporation, and Belvedere Sales Corporation, a corporation, and Ben Krisiloff, Richard H. Turner, and Joseph Primanti, individually and as officers of said corporation, shall within sixty days after service upon them of this order file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

The foregoing consent settlement is hereby accepted by the Federal Trade Commission and ordered entered of record on this the 9th day of April, 1953.

Issued: April 13, 1953.

By direction of the Commission.

[SEAL] D. C. DAMEL,
Secretary.

[F. R. Doc. 53-5665; Filed, June 25, 1953;
8:51 a. m.]

[Docket 5951]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

FEDERAL CORDAGE CO., INC., ET AL.

Subpart—*Misbranding or mislabeling*: § 3.1265 *Old, second-hand, reclaimed, or reconstructed product as new*. Subpart—*Misrepresenting one's self and goods—goods*: § 3.1695 *Old, second-hand, reclaimed, or reconstructed as new*. Subpart—*Neglecting, unfairly or deceptively, to make material disclosure*: § 3.1880 *Old, used, reclaimed, or reused as unused or new*. Subpart—*Using misleading names—goods*: § 3.2320 *Old, second-hand, reconstructed, or reused, as new*. In connection with the offering for sale, sale or distribution of rope or cordage in commerce, (1) representing, directly or by implication, that rope or cordage made in whole or in part of used or reclaimed fiber is made of new or unused fiber; (2) using the word "Manila" or any word of similar import or meaning to designate, describe, or refer to rope or cordage not composed wholly of new and unused Manila fibers; and (3) offering for sale, selling, or delivering to dealers, or others, rope or cordage containing used or reclaimed Manila fibers, or any rope or cordage containing reclaimed fibers other than reclaimed Manila fibers, the appearance of which latter product simulates rope or cordage composed of new and unused materials, unless it is disclosed, in words plainly legible to purchasers, on any invoices therefor and upon said rope and coil wrapper that said products are made, in whole or in part, of reclaimed or used fibers; prohibited, subject to the provision, however, that "nothing herein" shall prevent respondents from using the word "Manila" when properly qualified, to describe any product composed in part of new and unused Manila fibers, nor prevent respondents from using such word to describe any used or reclaimed Manila fibers contained in their rope and cordage if it is clearly disclosed in immediate conjunction therewith on the same invoice, package, container, label, tag, or other physical instrument on which said

word appears, and in connection with any oral statement in which such word is used, that said rope or cordage is made, in whole or in part, from used or reclaimed fibers.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719; 15 U. S. C. 45) [Cease and desist order, Federal Cordage Company, Inc., et al., Maggoth, Queens, Long Island, N. Y., Docket 5951, April 23, 1953]

In the Matter of Federal Cordage Company, Inc., a Corporation, and Seymour Guttman and Abe Weinstein, Individually and as Officers of Said Corporation

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission on January 25, 1952, issued and subsequently served its complaint in this proceeding upon respondents Federal Cordage Company, Inc., a corporation, and Seymour Guttman and Abe Weinstein, as officers of said corporation, charging them with the use of unfair methods of competition in commerce and unfair and deceptive acts and practices in commerce in violation of the provisions of that act. After the filing by respondents of their joint answer to the complaint, hearings were held at which testimony and other evidence in support of and in opposition to the allegations of the complaint were introduced before a hearing examiner of the Commission, theretofore duly designated by it, and such testimony and other evidence were duly recorded and filed in the office of the Commission. On July 1, 1952, the hearing examiner filed his initial decision.

The Commission, having reason to believe that the initial decision did not constitute an appropriate disposition of the proceeding, placed this case on the Commission's own docket for review and on February 18, 1953, it issued and thereafter served upon the parties its order affording the respondents an opportunity to show cause why the initial decision should not be altered in the manner and to the extent shown in the tentative decision attached to said order. Respondents not having appeared in response to the leave to show cause, this proceeding regularly came on for final consideration by the Commission upon the record herein on review and it appearing upon such consideration that the order contained in said tentative decision was directed to the individuals therein named both in their capacity as individuals and in their representative capacity as officers of the respondent corporation whereas said order should have been limited to naming them in their representative capacity aforesaid; and the Commission, having duly considered this case and being now fully advised in the premises, finds that this proceeding is in the interest of the public and makes the following findings as to the facts,¹ conclusion drawn therefrom,² and order, the same to be in lieu of the initial decision of the hearing examiner.

It is ordered, That the respondent Federal Cordage Company, Inc., a corporation, and its officers, agents, representatives and employees, and the respondents Seymour Guttman and Abe Weinstein, as officers of said corporation,

¹ Filed as part of the original document.

directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of rope or cordage in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Representing, directly or by implication, that rope or cordage made in whole or in part of used or reclaimed fiber is made of new or unused fiber.

(2) Using the word "Manila" or any word of similar import or meaning to designate, describe, or refer to rope or cordage not composed wholly of new and unused Manila fibers: *Provided, however*, That nothing herein shall prevent respondents from using the word "Manila" when properly qualified, to describe any product composed in part of new and unused Manila fibers, nor shall it prevent respondents from using such word to describe any used or reclaimed Manila fibers contained in their rope and cordage if it is clearly disclosed in immediate conjunction therewith on the same invoice, package, container, label, tag, or other physical instrument on which said word appears, and in connection with any oral statement in which such word is used, that said rope or cordage is made, in whole or in part, from used or reclaimed fibers.

(3) Offering for sale, selling, or delivering to dealers, or others, rope or cordage containing used or reclaimed Manila fibers, or any rope or cordage containing reclaimed fibers other than reclaimed Manila fibers, the appearance of which latter product simulates rope or cordage composed of new and unused materials, unless it is disclosed, in words plainly legible to purchasers, on any invoices therefor and upon said rope and coil wrapper that said products are made, in whole or in part, of reclaimed or used fibers.

It is further ordered, That the respondents shall, with sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

Issued: April 28, 1953.

By the Commission.

[SEAL]

D. C. DANIEL,
Secretary.

[F. R. Doc. 53-5666; Filed, June 25, 1953;
8:52 a. m.]

[Docket 6075]

**PART 3—DIGEST OF CEASE AND DESIST
ORDERS**

DARCO WOOL CORP. ET AL.

Subpart—*Misbranding or mislabeling*:
§ 3.1190 *Composition*, Wool Products Labeling Act; § 3.1325 *Source or origin—Maker or Seller—Wool Products Labeling Act*. Subpart—*Neglecting, unfairly or deceptively, to make material disclosure*: § 3.1845 *Composition—Wool Products Labeling Act*; § 3.1900 *Source or origin—Wool Products Labeling Act*. In

connection with the introduction or manufacture for introduction into commerce, or the offering for sale, sale, transportation or distribution in commerce, of wool batts or battings or other wool products, as such products are defined in and subject to the Wool Products Labeling Act of 1939, which products contain, purport to contain, or in any way are represented as containing "wool" "reprocessed wool" or "reused wool" as those terms are defined in said act, misbranding such products by, (1) falsely or deceptively stamping, tagging, labeling or, otherwise identifying such products as to the character or amount of constituent fibers included therein; and by (2) failing to securely affix to or place on each such product a stamp, tag, label or other means of identification showing in a clear and conspicuous manner: (a) The percentage of the total fiber weight of such wool product, exclusive of ornamentation not exceeding five per centum of said total weight, of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is five per centum or more, and (5) the aggregate of all other fibers; (b) the maximum percentage of the total weight of such wool product of any nonfibrous loading, filling, or adulterating matter; and (c) the name or the registered identification number of the manufacturer of such wool product or of one or more persons engaged in introducing such wool product into commerce or in the offering for sale, sale, or distribution thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939; prohibited, subject to the provision, however, that the foregoing provisions concerning misbranding shall not be construed to prohibit acts permitted by paragraphs (a) and (b) of section 3 of the Wool Products Labeling Act of 1939; and subject to the further provision that nothing contained in the order shall be construed as limiting any applicable provisions of said act or the rules and regulations promulgated thereunder.

(Sec. 6, 38 Stat. 722, sec. 6, 54 Stat. 1131; 15 U. S. C. 46, 68d. Interpret or apply sec. 5, 38 Stat. 719, as amended, secs. 2-5, 54 Stat. 1128-1130; 15 U. S. C. 45, 68-68c) [Cease and desist order, Darco Wool Corporation et al., North Bergen, N. J., Docket 6075, April 14, 1953]

In the Matter of Darco Wool Corporation, a Corporation, and Max Dabek, David Racine and Jack Dabek, Individually, and as Officers of Said Corporation

This proceeding was instituted by complaint which charged respondents with the use of unfair and deceptive acts and practices in violation of the provisions of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939.

It was disposed of, as announced by the Commission's "Notice" dated April 16, 1953, through the consent settlement procedure provided in Rule V of the Commission's rules of practice as follows:

The consent settlement tendered by the parties, in this proceeding, a copy

of which is served herewith, was accepted by the Commission on April 14, 1953, and ordered entered of record as the Commission's findings as to the facts, conclusion, and order in disposition of this proceeding.

Said order to cease and desist, thus entered of record, following the findings as to the facts¹ and conclusion,¹ reads as follows:

It is ordered, That the respondent, Darco Wool Corporation, a corporation, and its officers, and respondents, Max Dabek, David Racine and Jack Dabek, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce or the offering for sale, sale, transportation or distribution in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939, of wool batts or battings or other wool products, as such products are defined in and subject to said act, which products contain, purport to contain or in any way are represented as containing "wool," "reprocessed wool" or "reused wool" as those terms are defined in said act, do forthwith cease and desist from misbranding wool products by:

1. Falsely or deceptively stamping, tagging, labeling, or otherwise identifying, such products as to the character or amount of the constituent fibers therein.

2. Failing to securely affix to or place on each such product a stamp, tag, label or other means of identification showing in a clear and conspicuous manner:

(a) The percentage of the total fiber weight of such wool product, exclusive of ornamentation not exceeding five per centum of said total weight, of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is five per centum or more, and (5) the aggregate of all other fibers;

(b) The maximum percentage of the total weight of such wool product of any nonfibrous loading, filling, or adulterating matter;

(c) The name or the registered identification number of the manufacturer of such wool product or of one or more persons engaged in introducing such wool product into commerce or in the offering for sale, sale or distribution thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939: *Provided*, That the foregoing provisions concerning misbranding shall not be construed to prohibit acts permitted by paragraphs (a) and (b) of section 3 of the Wool Products Labeling Act of 1939: *And provided further*, That nothing contained in this order shall be construed as limiting any applicable provisions of said act or the rules and regulations promulgated thereunder.

It is further ordered, That the respondents herein shall within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have

¹Filed as part of the original document.

complied with the order to cease and desist.

The foregoing consent settlement is hereby accepted by the Federal Trade Commission and ordered entered of record on this the 14th day of April 1953.

Issued: April 16, 1953.

By direction of the Commission.

[SEAL] D. C. DANIEL,
Secretary.

[F. R. Doc. 53-5667; Filed, June 25, 1953;
8:52 a. m.]

TITLE 26—INTERNAL REVENUE

Chapter I—Bureau of Internal Revenue, Department of the Treasury

Subchapter A—Income and Excess Profits Taxes [T. D. 6023, Regs. 111]

PART 29—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

MINE EXPENDITURES

On November 6, 1952, notice of proposed rule making with respect to amendments conforming the income tax regulations to sections 309 and 342 of the Revenue Act of 1951, approved October 20, 1951, was published in the FEDERAL REGISTER (17 F. R. 9985). After consideration of such relevant suggestions as were presented by interested persons regarding the proposals, the following amendments to Regulations 111 (26 CFR Part 29) are hereby adopted:

PARAGRAPH 1. Section 29.23 (m)-1 (g) as amended by Treasury Decision 5458, approved June 15, 1945, is further amended by changing the term "development costs properly charged to expense" appearing in the first sentence to read as follows: "development costs properly charged to expense or allowable as deductions under section 23 (cc)"

PAR. 2. Section 29.23 (m)-2, is amended as follows:

(A) By amending the first sentence of paragraph (a) and the parenthetical matter immediately following that sentence to read as follows: "The basis upon which depletion, other than discovery depletion or percentage depletion, is to be allowed in respect of any property is the basis provided for in section 113 (a) adjusted as provided in section 113 (b) for the purpose of determining the gain upon the sale or other disposition of such property, except that with respect to taxable years ending after December 31, 1950, the amount of expenditures treated as deferred expenses under sections 23 (cc) (2) and 23 (ff) (2) shall be disregarded in determining such adjusted basis (see §§ 29.113 (a)-1 to 29.114-1 inclusive, and §§ 29.23 (cc)-1 and 29.23 (ff)-1), and"

(B) By inserting immediately after the word "depreciation" in paragraph (d) the following: "through deferred expenses,"

PAR. 3. Section 29.23 (m)-15 is amended as follows:

(A) By adding a headnote to paragraph (a) so that the headnotes to section and paragraph read: "§ 29.23 (m)-

15 Allowable capital additions in case of mines—(a) General."

(B) By deleting the letter (b) which immediately precedes the beginning of the second paragraph; and

(C) By adding immediately following the second paragraph the following new paragraph (b)

(b) *Special rules for taxable years ending after December 31, 1950.* Sections 23 (cc) and 23 (ff) contain special provisions for treatment of expenditures for certain exploration and development costs (other than for acquisition or improvement of depreciable property) with respect to ores and minerals other than oil or gas. See §§ 29.23 (cc)-1 and 29.23 (ff)-1.

PAR. 4. Section 29.23 (m)-17 is amended by adding at the end thereof the following new paragraph (h)

(h) For taxable years ending after December 31, 1950, sections 23 (cc) and 23 (ff) provide special rules for treatment of depreciation allowances with respect to the exploration and development of a mine or other natural deposit other than oil or gas. See §§ 29.23 (cc)-1 and 29.23 (ff)-1.

PAR. 5. There is inserted immediately following § 29.23 (bb)-1 the following:

SEC. 309. EXPENDITURES IN THE DEVELOPMENT OF MINES (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(a) *Deduction of expenditures.* Section 23 (relating to deductions from gross income) is hereby amended by adding at the end thereof the following new subsection:

(cc) *Development of Mines—(1) In general.* Except as provided in paragraph (2), all expenditures paid or incurred during the taxable year for the development of a mine or other natural deposit (other than an oil or gas well) if paid or incurred after December 31, 1950, and after the existence of ores or minerals in commercially marketable quantities has been disclosed. This subsection shall not apply to expenditures for the acquisition or improvement of property of a character which is subject to the allowance for depreciation provided in section 23 (1), but allowances for depreciation shall be considered, for the purposes of this subsection, as expenditures.

(2) *Election of taxpayer.* At the election of the taxpayer, made in accordance with regulations prescribed by the Secretary, expenditures described in paragraph (1) paid or incurred during the taxable year shall be treated as deferred expenses and shall be deductible on a ratable basis as the units of produced ores or minerals benefited by such expenditures are sold. In the case of such expenditures paid or incurred during the development stage of the mine or deposit, the election shall apply only with respect to the excess of such expenditures during the taxable year over the net receipts during the taxable year from the ores or minerals produced from such mine or deposit. The election under this paragraph, if made, must be for the total amount of such expenditures, or the total amount of such excess, as the case may be, with respect to the mine or deposit, and shall be binding for such taxable year.

(3) *Adjusted basis of mine or deposit.* The amount of expenditures which are treated under paragraph (2) as deferred expenses shall be taken into account in computing the adjusted basis of the mine or deposit, except that such amount and the adjustments to basis provided in section 113 (b) (1) (J), shall be disregarded in determining the ad-

justed basis of the property for the purpose of computing a deduction for depletion under section 114.

(d) *Effective date.* The amendments made by this section shall be applicable to taxable years ending after December 31, 1950.

§ 29.23 (cc)-1 *Mine development expenditures—(a) Allowance of deduction.* (1) Effective only with respect to taxable years ending after December 31, 1950, section 23 (cc) (1) provides for a deduction from gross income of all expenditures for the development of a mine or other natural deposit (other than an oil or gas well) paid or incurred by the taxpayer after December 31, 1950, and after the existence of ores or minerals in commercially marketable quantities has been disclosed subject to this section. The deduction is not allowable with respect to expenditures for the acquisition or improvement of property of a character subject to allowance for depreciation under section 23 (1). However, allowances for depreciation shall be considered for the purposes of this section as expenditures for development to the extent allocable to development. Such development expenditures are deductible under section 23 (cc) (1) (notwithstanding the provisions of § 29.23 (m)-15) whether paid or incurred by the taxpayer while the mine or deposit is in the development or while in the production stage.

(2) For the purposes of this section, expenditures thus described include only those which, except for this section, would not qualify as a deduction for the taxable year. For treatment of certain exploration expenditures see section 23 (ff) and § 29.23 (ff)-1. In general, the provisions of this section are applicable only to costs paid or incurred by the taxpayer in respect of development undertaken (directly or through a contract) by the taxpayer and do not apply, for example, to such costs of development undertaken by other persons as may be reflected in the acquisition cost paid or incurred by the taxpayer for wholly or partially developed property.

(3) As to the deductibility of expenditures attributable to a grant or loan made to a taxpayer by the United States for the encouragement of the exploration, development, or mining of critical and strategic minerals, see section 22 (b) (15).

(b) *Election to defer.* (1) A taxpayer entitled to the deduction under section 23 (cc) (1) may, in lieu of taking such deduction in the year when the expenditures for development were paid or incurred, elect under section 23 (cc) (2) to treat such expenditures as deferred expenses to be deducted ratably as the units of the produced ore or minerals benefited by the expenditures are sold. In the case of such expenditures paid or incurred while the mine or deposit is in the development stage, the election is applicable only in respect of the excess of such expenditures paid or incurred during the taxable year over the net receipts during the taxable year from the ore or minerals produced from the mine or deposit. The amount of such expenditures not in excess of net receipts from the ore or mineral for the taxable year while the mine

or deposit is in the development stage shall be deductible in full. (See § 29.23 (m)-15 (a) for description as to when a mine will be considered to have passed from a development to a production stage.)

(2) The amount of the deduction allowable during the taxable year is an amount A, which bears the same ratio to B (the total deferred development expenditures for a particular mine or deposit reduced by the amount of such expenditures deducted in prior taxable years) as C (the number of units of the ore or mineral benefited by such expenditures sold during the taxable year) bears to D (the number of units of ore or mineral benefited by such expenditures remaining as of the taxable year). For the purposes of this proportion, the "number of units of ore or mineral benefited by such expenditures remaining as of the taxable year" is the number of units of ore or mineral benefited by the deferred development expenditures remaining at the end of the year to be recovered from the mine or deposit (including units benefited by such expenditures recovered but not sold) plus the number of units benefited by such expenditures sold within the taxable year. The principles outlined in § 29.23 (m)-9 are applicable in estimating the number of units remaining as of the taxable year and the number of units sold during the taxable year. The estimate is subject to revision in accordance with that section in the event it is ascertained as the result of operations or development that the remaining units are materially greater or less than the number of units remaining from a prior estimate. Sections 29.23 (e)-3 and 29.23 (f)-1 contain rules relating to the treatment of losses resulting from abandonment.

(3) If the taxpayer has paid or incurred expenditures of the character described in this paragraph, has made the election to defer such expenditures, and thereafter leases the developed property retaining a royalty interest therein, he shall be allowed the ratable deduction indicated in subparagraph (2) of this paragraph.

(4) The election referred to in this paragraph shall be made for each mine or deposit by a clear indication on the return or by a statement filed with the Director of Internal Revenue with whom the return was filed not later than six months after the filing of the return for the taxable year to which such election is applicable, or, in case the return for the taxable year to which such election is applicable is filed on or before March 15, 1953, by a statement in writing to that effect filed with the Director of Internal Revenue with whom the return was filed on or before September 15, 1953. If such an election is made by the taxpayer, such election must be for the total amount of all such expenditures during the taxable year while the mine or deposit is in the producing stage. If the mine or deposit is in the development stage, such election must be for all of the excess of such expenditures over the net receipts during the taxable year from the ore or mineral produced. The election shall be

binding for the taxable year in respect to which the election was made.

PAR. 6. There is inserted immediately following section 23 (ee) which follows § 29.23 (dd)-1 the following:

SEC. 342. DEDUCTION OF EXPENDITURES FOR MINE EXPLORATION (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(a) *Deduction of mine exploration expenditures.* Section 23 (relating to deductions from gross income) is hereby amended by adding at the end thereof the following new subsection:

(ff) *Deduction of exploration expenditures—(1) In general.* In the case of expenditures paid or incurred during the taxable year for the purpose of ascertaining the existence, location, extent, or quality of any deposit of ore or other mineral, and paid or incurred prior to the beginning of the development stage of the mine or deposit, so much of such expenditures as does not exceed \$75,000. This subsection shall apply only with respect to the amount of such expenditures which, but for this subsection, would not be allowable as a deduction for the taxable year. This subsection shall not apply to expenditures for the acquisition or improvement of property of a character which is subject to the allowance for depreciation provided in section 23 (1), but allowances for depreciation shall be considered, for the purposes of this subsection, as expenditures paid or incurred. In no case shall this subsection apply with respect to amounts paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas.

(2) *Election of taxpayer.* If the taxpayer elects, in accordance with regulations prescribed by the Secretary, to treat as deferred expenses any portion of the amount deductible for the taxable year under paragraph (1), such portion shall not be deductible under paragraph (1) but shall be deductible on a ratable basis as the units of produced ores or minerals discovered or explored by reason of such expenditures are sold. An election made under this paragraph for any taxable year shall be binding for such year.

(3) *Limitation.* This subsection shall not apply to any amounts paid or incurred in any taxable year if in any four preceding years the taxpayer, or any individual or corporation who has transferred to the taxpayer any mineral property under circumstances which make the provisions of paragraph (7), (8), (11), (13), (15), (17), (20), or (22) of section 113 (a) applicable to such transfer, has either (A) been allowed a deduction under paragraph (1) of this subsection or (B) made the election provided under paragraph (2) of this subsection.

(4) *Adjusted basis of mine or deposit.* The amount of expenditures which are treated under paragraph (2) as deferred expenses shall be taken into account in computing the adjusted basis of the mine or deposit, but such amounts, and the adjustments to basis provided in section 113 (b) (1) (M) shall be disregarded in determining the adjusted basis of the property for the purpose of computing a deduction for depletion under section 114.

(c) *Effective date.* The amendments made by this section shall be applicable to taxable years ending after December 31, 1950.

§ 29.23 (ff)-1 *Discovery or exploration expenditures—(a) Allowance of deduction.* (1) Subject to the limitation prescribed in paragraph (c) of this section, section 23 (ff)-1 provides with respect to taxable years ending after December 31, 1950, for a deduction from gross income of expenditures for ascertaining the ex-

istence, location, extent, or quality of any deposit of ore or other mineral (other than oil or gas) paid or incurred by the taxpayer prior to the beginning of the development stage. The expenditures thus described include only those which, except for this section, would not qualify as a deduction for the taxable year and do not include expenditures for the acquisition or improvement of property of a character which is subject to the allowance for depreciation provided for in section 23 (1). However, allowances for depreciation shall be considered for the purposes of this section as expenditures paid or incurred. For the purposes of this section, such expenditures do not include expenditures paid or incurred after the existence of ores or minerals in commercially marketable quantities has been disclosed. For treatment of development expenditures see section 23 (cc) and § 29.23 (cc)-1. In general, the provisions of this section are applicable only to costs paid or incurred by the taxpayer in respect of exploration or discovery undertaken (directly or through contract) by the taxpayer and do not apply, for example, to such costs of exploration or discovery undertaken by other persons as may be reflected in the acquisition cost paid or incurred by the taxpayer for the property.

(2) As to the deductibility of expenditures attributable to a grant or loan made to a taxpayer by the United States for the encouragement of the exploration, development or mining of critical and strategic minerals, see section 22 (b) (15).

(b) *Election to defer* (1) A taxpayer entitled to the deduction under section 23 (ff) (1) may, in lieu of taking such deduction to which he is entitled in the year when the expenditures for discovery or exploration were paid or incurred, elect under section 23 (ff) (2) to treat any portion of such deductible expenditures as deferred expenses to be deducted ratably as the units of produced ores or minerals discovered or explored by reason of such expenditures are sold.

(2) The amount of the deduction allowable during the taxable year is an amount A, which bears the same ratio to B (the total deferred discovery or exploration expenditures reduced by the amount of such expenditures deducted in prior taxable years) as C (the number of units of the produced ore or mineral sold during the taxable year) bears to D (the number of units of ore or mineral remaining as of the taxable year). For the purposes of this proportion, the "number of units of ore or mineral remaining as of the taxable year" is the number of units of ore or mineral remaining at the end of the year to be recovered from the mines or deposits benefited by such expenditures (including units recovered but not sold) plus the number of units sold within the taxable year. The principles outlined in § 29.23 (m)-9 are applicable in estimating the number of units remaining as of the taxable year and the number of units sold during the year. The estimate is subject to revision in accordance with that section in the event it is ascertained as the result of

further discovery, development or operations that the remaining units are materially greater or less than the units remaining from a prior estimate. Sections 29.23 (e)-3 and 29.23 (f)-1 contain rules relating to the treatment of losses resulting from abandonment.

(3) If the taxpayer has paid or incurred expenditures of the character described herein, has made the election to defer such expenditures and thereafter leases the mine or deposit benefited by such expenditures retaining a royalty interest therein, he shall be allowed the ratable deduction in subparagraph (2) of this paragraph.

(4) The election referred to in this paragraph shall be made by a clear indication on the return or by a statement filed with the Director of Internal Revenue with whom the return was filed not later than six months after the filing of the return for the taxable year to which such election is applicable, or, in case the return for the taxable year to which such election is applicable is filed on or before March 15, 1953, by a statement in writing to that effect filed with the Director of Internal Revenue with whom the return was filed on or before September 15, 1953. In such statement, the taxpayer shall disclose the amount to be deferred, and the name, location, extent and nature of the mineral deposit to which the election relates. The election shall be binding for the taxable year in respect to which the election was made.

(c) *Limitation.* The deduction described in paragraph (a) of this section is allowable only for the amount of all such expenditures paid or incurred by the taxpayer in the taxable year as does not exceed \$75,000. Amounts otherwise allowable as deductions without reference to this section (except allowances for depreciation) are not to be taken into account in determining this limitation. The limitation applies to all such described expenditures of the taxpayer and is not a total amount allowable with respect to each mine or deposit. No deduction under section 23 (ff) (1) or election under section 23 (ff) (2) may be taken or exercised if in any four preceding years (not necessarily consecutive years) the taxpayer, or any individual or corporation who has transferred to the taxpayer any mineral or ore property under circumstances which make the provisions of paragraph (7) (8) (11) (13) (15) (17) (20) or (22) of section 113 (a) applicable to such transfer, has been allowed a deduction or elected to treat such expenditures as deferred expenses under section 23 (ff) (1) or section 23 (ff) (2) respectively. Thus, under such circumstances, no deduction under section 23 (ff) (1) or election under section 23 (ff) (2) may be taken or exercised after the combined deductions and elections so taken or exercised by one or more transferors and the taxpayer equal four. For the purposes of the preceding sentence, a deduction and an election availed of in any taxable year by a particular taxpayer or transferor shall be considered as having been taken or exercised only once.

Example (1). Assume that a taxpayer who has never claimed the benefits of section 23 (ff) received in 1956 a mineral deposit from X corporation upon a distribution in complete liquidation of the latter under conditions which would make the provisions of section 113 (a) (15) applicable in determining the basis of the property in the hands of the taxpayer, and that during the year 1955 X corporation expended \$60,000 for exploration expenditures which X corporation elected to treat as deferred expenses. On the basis of these facts the taxpayer may deduct or defer for any three (not necessarily consecutive) subsequent taxable years similar expenditures made in those years not to exceed \$75,000 in any year. Where the amount expended in any taxable year is less than \$75,000 the difference, if any, may not be carried over or back to other taxable years.

Example (2). Assume the same facts stated in example (1) except that, prior to acquisition by the taxpayer of the deposit from corporation X in 1956, corporation X had acquired the deposit in 1954 in a similar distribution from Y corporation which, in the years 1952 and 1953, deducted exploration costs paid in respect of an entirely different deposit in the amounts of \$30,000 and \$50,000 respectively. Under these circumstances, the taxpayer may deduct or defer exploration expenditures paid or incurred for only one taxable year in an amount not in excess of \$75,000.

PAR. 7. There is inserted immediately preceding § 29.24-1 the following:

SEC. 309. EXPENDITURES IN THE DEVELOPMENT OF MINES (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(c) *Technical amendment.* Section 24 (a) (2) (relating to items not deductible) is hereby amended by adding after the word "estate" the following: ", except expenditures for the development of mines or deposits deductible under section 23 (cc)".

(d) *Effective date.* The amendments made by this section shall be applicable to taxable years ending after December 31, 1950.

PAR. 8. Section 29.24-2, as amended by Treasury Decision 5513, approved May 16, 1946, is further amended as follows:

(A) By inserting immediately after the heading the following headnote designating the first paragraph as (a) "*(a) Expenditures except nondepreciable mine development expenditures.*"

(B) By adding at the end thereof the following new paragraph (b)

(b) *Nondepreciable expenditures for mine development.* Section 23 (cc) provides that certain expenditures (not subject to depreciation allowance under section 23 (1)) paid or incurred by the taxpayer for mine development after December 31, 1950, may be deducted or treated as deferred expenses. For the rules governing treatment of such expenditures see section 23 (cc) and § 29.23 (cc)-1.

PAR. 9. There are inserted immediately preceding § 29.113 (b) (1)-1 the following:

SEC. 309. EXPENDITURES IN THE DEVELOPMENT OF MINES (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(b) *Adjusted basis for determining gain or loss upon sale or exchange.* Section 113 (b) (1) (relating to adjusted basis of property) is hereby amended by adding at the end thereof the following subparagraph:

(J) For amounts allowed as deductions as deferred expenses under section 23 (cc) (2) (relating to certain expenditures in the development of mines) and resulting in a reduction of the taxpayer's taxes under this chapter, but not less than the amounts allowable under such section for the taxable year and prior years.

(d) *Effective date.* The amendments made by this section shall be applicable to taxable years ending after December 31, 1950.

SEC. 342. DEDUCTION OF EXPENDITURES FOR MINE EXPLORATION (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(b) *Adjusted basis for determining gain or loss upon sale or exchange.* Section 113 (b) (1) (relating to adjusted basis of property) is hereby amended by adding at the end thereof the following:

(M) for amounts allowed as deductions as deferred expenses under section 23 (ff) (2) (relating to certain exploration expenditures) and resulting in a reduction of the taxpayer's taxes under this chapter, but not less than the amounts allowable under such section for the taxable year and prior years.

(c) *Effective date.* The amendments made by this section shall be applicable to taxable years ending after December 31, 1950.

PAR. 10. Section 29.113 (b) (1)-1, as amended by Treasury Decision 6006, approved April 10, 1953, is further amended by adding at the end thereof the following new paragraph (k)

(k) With respect to taxable years ending after December 31, 1950, the basis shall also be adjusted to take into account the amount of expenditures for development and exploration of mines or mineral deposits treated as deferred expenses under sections 23 (cc) (2) and 23 (ff) (2). The basis so adjusted shall be reduced by the amount of such expenditures allowed as deductions under such sections which results in a reduction of the taxpayer's liability for income tax but not less than the amounts allowable under such sections for the taxable year and prior years. For example, if a taxpayer purchases unexplored and undeveloped mining property for \$1,000,000 and at the close of the development stage has incurred exploration and development costs of \$9,000,000 treated as deferred expenses, the basis of such property at such time for computing gain or loss will be \$10,000,000. Assuming that the taxpayer in this example has operated the mine for several years and has deducted allowable percentage depletion in the amount of \$2,000,000 and has deducted allowable deferred exploration and development expenditures of \$2,000,000, the basis of the property in the taxpayer's hands for purposes of determining gain or loss if sold will be \$6,000,000.

(53 Stat. 32, 467; 26 U. S. C. 62, 3791)

[SEAL] T. COLEMAN ANDREWS,
Commissioner of Internal Revenue.

Approved: June 23, 1953.

M. B. FOLSOY,
Acting Secretary of the Treasury.

[F. R. Doc. 53-5664; Filed, June 25, 1953; 8:51 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter XXI—Office of Rent Stabilization, Economic Stabilization Agency

[Rent Regulation 1, Amdt. 53 to Schedule B]

[Rent Regulation 2, Amdt. 54 to Schedule B]

RR 1—HOUSING

RR 2—ROOMS IN ROOMING HOUSES AND OTHER ESTABLISHMENTS

SCHEDULE B—SPECIFIC PROVISIONS RELATING TO INDIVIDUAL DEFENSE-RENTAL AREAS OR PORTIONS THEREOF

SAN DIEGO DEFENSE-RENTAL AREA

Effective June 26, 1953, Rent Regulation 1 and Rent Regulation 2 are amended as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 23d day of June 1953.

GLENWOOD J. SHERRARD,
Director of Rent Stabilization.

1. Items 40 and 48 are deleted from Schedule B of Rent Regulation 1.

2. Items 44 and 52 are deleted from Schedule B of Rent Regulation 2.

The deletion of the items specified above from Schedule B of Rent Regulation 1 and Rent Regulation 2 is based on the decontrol of the San Diego Defense-Rental Area.

[F. R. Doc. 53-5659; Filed, June 25, 1953; 8:50 a. m.]

[Rent Regulation 3, Amdt. 22 to Schedule B]

[Rent Regulation 4, Amdt. 13 to Schedule B]

RR 3—HOTELS

RR 4—MOTOR COURTS

SCHEDULE B—SPECIFIC PROVISIONS RELATING TO INDIVIDUAL DEFENSE-RENTAL AREAS OR PORTIONS THEREOF

SAN DIEGO DEFENSE-RENTAL AREA

Effective June 26, 1953, Rent Regulation 3 and Rent Regulation 4 are amended as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 23d day of June 1953.

GLENWOOD J. SHERRARD,
Director of Rent Stabilization.

1. Item 3 is deleted from Schedule B of Rent Regulation 3.

2. Item 1 is deleted from Schedule B of Rent Regulation 4.

The deletion of the items specified above from Schedules B of Rent Regulation 3 and Rent Regulation 4 is based on the decontrol of the San Diego Defense-Rental Area.

[F. R. Doc. 53-5658; Filed, June 25, 1953; 8:50 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 3—VETERANS CLAIMS

MISCELLANEOUS AMENDMENTS

1. In § 3.32, paragraph (a) (2) (iv) is amended to read as follows:

§ 3.32 *Evidence required from a foreign country and release of original documents from files of the Veterans' Administration for authentication.* (a)

* * *

(2) * * *

(iv) When a copy of a public or church record from any foreign country purports to establish birth, marriage, divorce, or death, provided, it bears the signature and seal of the custodian of such record and there is no other evidence in the file which would serve to create doubt as to correctness of the information shown on the record (See Veterans' Administration claims procedures) or

2. Section 3.51 is revised to read as follows:

§ 3.51 *Effect of divorce decrees.* (a) Unless there is a protest by either party after notice, or reason appears for further inquiry, a divorce decree, regular on its face, granted either within the matrimonial domicile or outside thereof, will be accepted for compensation or pension purposes in determining marital status. Where there is protest or reason appears for further inquiry, it will be accepted as effecting a change in the marital status of the parties if the defendant (libelee) was "personally served" by a method authorized by law as sufficient to support a judgment in personam against such defendant, or appeared in person or by counsel actually authorized by defendant:

(1) Where the decree was entered in a federal court; or

(2) Where the decree was entered in a State of the United States in which it is not subject to direct or collateral attack.

(b) If the decree is subject to direct or collateral attack in the State of the United States in which it was granted, notwithstanding personal service as described in paragraph (a) of this section, or if the decree was entered in a foreign country, and it is established that the party to whom the divorce was granted was not a bona fide resident of the jurisdiction wherein the decree was granted, the decree will not be accepted as effecting a change in the marital status of the parties for the purpose hereof. (See Veterans' Administration claims procedures.)

3. In § 3.131, paragraph (d) is amended to read as follows:

§ 3.131 *Principles for determining entitlement to the statutory award for the anatomical loss or loss of use of a creative organ.* * * *

(d) Loss or loss of use traceable to an operation performed subsequent to service, if the operation is one of election, will not entitle to the statutory award. If, however, the operation after discharge was required for the correction of a specific injury caused by a preceding operation in service and resulted in the loss or loss of use of a creative organ the statutory award may be granted. Moreover, when the existence of disability is established meeting the requirements of § 3.123 for non-functioning testicle due to operation after service, resulting in loss of use, the statutory award is payable even though the operation is one of election.

ice, if the operation is one of election, will not entitle to the statutory award. If, however, the operation after discharge was required for the correction of a specific injury caused by a preceding operation in service and resulted in the loss or loss of use of a creative organ the statutory award may be granted. Moreover, when the existence of disability is established meeting the requirements of § 3.123 for non-functioning testicle due to operation after service, resulting in loss of use, the statutory award is payable even though the operation is one of election.

4. In § 3.212, paragraph (d) is amended to read as follows:

§ 3.212 *Effective dates of awards of disability compensation.* * * *

(d) The effective date of an award of disability compensation or pension (original or amended) to or for a veteran who has been issued an honorable discharge pursuant to the findings of a Department of the Army, Department of the Air Force, Treasury Department, or Department of the Navy Board of Review, under section 301, Public Law 346, 78th Congress, or has had his military or naval record corrected pursuant to section 207, Public Law 601, 79th Congress, as amended by Public Law 220, 82d Congress, will be the date authorized by the law under which pension or compensation is payable but not prior to:

(1) The date of the finding of the board of review or, if the finding was approved by the secretary of the service department concerned, the date of such approval.

(2) The date on which the secretary of the service department concerned approved the finding of the board for correction of military (or naval) records.

(3) When corrections as to character of discharge, active duty status, line of duty, or willful misconduct are administratively made by the service departments, other than through boards of review or corrections, based on new evidence or change in policy and views, or both, the award may not be made effective prior to the date of the issuance of the corrected report or the date of the recertification.

(Sec. 17, 57 Stat. 560, sec. 4, 63 Stat. 202; 34 U. S. C. 855c-3, 38 U. S. C. 732)

5. In § 3.228, paragraph (c) (6) is amended to read as follows:

§ 3.228 *Computation of annual income for the purposes of Part III, Veterans Regulation 1* (a) (38 U. S. C. ch. 12) or section 1 (c) of Public No. 198, 76th Congress (act of July 19, 1939), as amended by section 11, Public Law 144, 78th Congress, and Public Law 357, 82d Congress. * * *

(c) * * *

(6) Civil Service retirement benefits, Federal Old Age and Survivors' Insurance, railroad retirement benefits, or retirement benefits paid under a State, municipal, or private business or industrial plan: Provided, That where the

benefit is received by a former worker based on his own employment, no part of such payments will be considered "annual income" until the full amount of his personal contribution (as distinguished from amounts contributed by the employer and not by the worker) has been received by him: *And provided further* That such benefits received by a widow on the basis of her husband's employment will be considered as annual income as received. This subparagraph contemplates that the entire amount of the worker's annuity following retirement will be applied each year to amortize the cost of such annuity, after which the entire annuity will be considered as income. However, any person entitled to annuity from the Civil Service Retirement and Disability Fund may decline to accept all or any part of such annuity by a waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect. (Section 3, Public Law 555, 82d Congress.)

(Sec. 13, 46 Stat. 476, as amended, sec. 1, 48 Stat. 1281, as amended, Part III, Vet. Reg. 1 (a), as amended, 66 Stat. 91; 5 U. S. C. 716, 38 U. S. C. 503, ch. 12 note)

6. A new § 3.287 is added as follows:

§ 3.287 *Discontinuance of additional compensation under Public Law 877 80th Congress, as amended by section 4, Public Law 339, 81st Congress; effective dates.* Where additional disability compensation is being paid to a veteran in behalf of a wife, child or children, or a dependent parent or parents, the effective date of discontinuance of the additional compensation for the dependents shall be fixed in accordance with the facts found, that is, in the event of death, the date of death; divorce, the date preceding the date of divorce; in the case of a child, the date preceding the 18th or 21st birthday, or cessation of school attendance, or the date preceding the date of marriage; in the case of a dependent parent, the date on which dependency ceased.

(62 Stat. 1219, as amended, Vet. Reg. 2 (a); 38 U. S. C. 740-743, ch. 12)

7. Section 3.317 is revised to read as follows:

§ 3.317 *Discontinuance of apportionments; effective dates.* Where disability pension, disability compensation, service pension, or emergency officers retirement pay is apportioned between the veteran and his dependents and payments have been or are being made to the dependents subsequent to the date of cessation of the condition on which it is predicated, the effective date of discontinuance of the apportioned benefit to the dependent shall be the date of last payment and the award to the veteran will be adjusted accordingly except that in the event of death, the date of death (upon the death of an apportionnee, all or any part of the unpaid apportioned disability pension,

compensation, or retirement pay will be paid to the veteran or to any other dependent or dependents as may be determined by the Administrator of Veterans Affairs, section 12, Public Law 144, 78th Congress) divorce, the date preceding the date of divorce; in the case of a child, the date preceding the 18th or 21st birthday, or cessation of school attendance, or the date preceding the date of marriage; in the case of a dependent parent, the date on which dependency ceases, will be the effective date. Where a minor child of a disabled person being paid apportioned disability compensation, pension, or emergency officers retirement pay enters the active military or naval service, such apportioned award will be discontinued as of the date of last payment and, effective as of the next day, such child's apportioned share will be added to the disability compensation, pension, or emergency officers retirement pay otherwise payable to the veteran. Where the estranged wife of a disabled veteran is receiving apportioned disability compensation, pension, or emergency officers retirement pay in behalf of herself and a minor child and such minor child enters the active military or naval service, the apportioned share for the estranged wife will be continued in the same amount as was payable prior to the child's entry into active service, such increased amount to continue during the child's minority or until the cessation of the condition upon which the apportionment was made.

(Sec. 4, 48 Stat. 9, sec. 3, 54 Stat. 1195, Vet. Reg. 2 (a); 38 U. S. C. 49a, 704, ch. 12)

(Sec. 5, 43 Stat. 608, as amended, sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9; 38 U. S. C. 11a, 426, 702)

This regulation is effective June 26, 1953.

[SEAL] H. V. STIRLING,
Deputy Administrator

[F. R. Doc. 53-5668; Filed, June 25, 1953; 8:52 a. m.]

PART 21—VOCATIONAL REHABILITATION AND EDUCATION

SUBPART A—EDUCATIONAL BENEFITS

CONDITIONS FOR VOCATIONAL REHABILITATION

In § 21.40, paragraph (a) (3) is amended to read as follows:

§ 21.40 *Conditions for vocational rehabilitation—(a) Veteran of World War II.* * * *

(3) A disability incurred in or aggravated by active service on or after September 16, 1940, and prior to the termination of World War II (July 25, 1947, Public Law 239, 80th Congress) for which compensation is payable under laws administered by the Veterans Administration, or would be except for the receipt of retirement pay (Public Law 494, 79th Congress)

(Sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9, sec. 2, 57 Stat. 43, as amended, sec. 409, 53 Stat. 237, as amended; 38 U. S. C. 11a, 701, 707, ch. 12 note. Interpret or apply secs. 3, 4, 57 Stat. 43, as amended, secs. 390, 1500-1504, 1506, 1507, 58 Stat. 286, 309, as amended; 38 U. S. C. 693g, 697-697d, 697f, g, ch. 12 note)

This regulation is effective June 26, 1953.

[SEAL] H. V. STIRLING,
Deputy Administrator.

[F. R. Doc. 53-5669; Filed, June 25, 1953; 8:53 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 127—INTERNATIONAL POSTAL SERVICE: POSTAGE RATES, SERVICE AVAILABLE, AND INSTRUCTIONS FOR MAILING

PARCEL POST RATES

Amend Part 127—International Postal Service: Postage Rates, Service Available, and Instructions for Mailing by inserting between §§ 127.199 and 127.201, a new section to read as follows:

§ 127.200 *International parcel post rates; increased—(a) Parcel post.* (1) The basic international surface parcel post rate, effective August 1, 1953, will be 45 cents for the first pound and 22 cents for each additional pound or fraction.

(2) The surface parcel post rates to all countries will be increased by adding the differentials shown in the following table to the rates which now appear in §§ 127.201 to 127.381, inclusive.

RATE DIFFERENTIAL TABLE

Pounds	Rate	Pounds	Rate
1.....	\$0.31	23.....	\$2.07
2.....	.39	24.....	2.15
3.....	.47	25.....	2.23
4.....	.55	26.....	2.31
5.....	.63	27.....	2.39
6.....	.71	28.....	2.47
7.....	.79	29.....	2.55
8.....	.87	30.....	2.63
9.....	.95	31.....	2.71
10.....	1.03	32.....	2.79
11.....	1.11	33.....	2.87
12.....	1.19	34.....	2.95
13.....	1.27	35.....	3.03
14.....	1.35	36.....	3.11
15.....	1.43	37.....	3.19
16.....	1.51	38.....	3.27
17.....	1.59	39.....	3.35
18.....	1.67	40.....	3.43
19.....	1.75	41.....	3.51
20.....	1.83	42.....	3.59
21.....	1.91	43.....	3.67
22.....	1.99	44.....	3.75

The weight limits shown under the various country items in this part continue to apply.

(R. S. 161, 396, 398; secs. 304, 303, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

The foregoing regulations shall become effective August 1, 1953.

[SEAL] ROSS RIZLEY,
Solicitor.

[F. R. Doc. 53-5636; Filed, June 25, 1953; 8:46 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Bureau of Entomology and Plant Quarantine

17 CFR Part 319.1

FOREIGN QUARANTINE NOTICES

NURSERY STOCK, PLANTS, AND SEEDS

On December 9, 1952, there was published in the *FEDERAL REGISTER* (17 F. R. 11148) a notice of proposed rule making concerning amendments of §§ 319.37-13 and 319.37-15 of the regulations supplemental to the quarantine relating to the importation of nursery stock, plants, and seeds (7 CFR Supp. 319.37-13, 319.37-15) to allow the importation under specified conditions of restricted plant material that is growing in an approved packing material.

The notice provided that all persons who desired to submit written data, views, or arguments in connection with this matter should file the same with the Chief of the Bureau of Entomology and Plant Quarantine, Agricultural Research Administration, United States Department of Agriculture, Washington 25, D. C., within 30 days after the date of publication of the notice in the *FEDERAL REGISTER*. In addition to the numerous statements received during such 30-day period, many comments have been received since the end of such period.

Notice is hereby given that all data, views, and arguments concerning the proposed amendments which have been received or which are received on or before July 7, 1953, will be considered in connection with the final determination with respect to this matter.

Done at Washington, D. C., this 22d day of June 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-5582; Filed, June 25, 1953;
8:45 a. m.]

17 CFR Part 319.1

FOREIGN QUARANTINE NOTICES

NURSERY STOCK, PLANTS, AND SEEDS

Notice is hereby given under section 4 of the Administrative Procedure Act (5 U. S. C. 1003) that the Chief of the Bureau of Entomology and Plant Quarantine, pursuant to the authority conferred upon him by § 319.37-16 of the regulations supplemental to Nursery Stock, Plant, and Seed Quarantine No. 37 (7 CFR 319.37-16) under section 5 of the Plant Quarantine Act of 1912, as amended (7 U. S. C. 159) is considering amending administrative instructions listing approved packing materials and instructions for their use, effective January 1, 1949 (7 CFR 319.37-16a, B. E. P. Q. 571) to read as follows:

§ 319.37-16a *Administrative instructions: list of approved packing materials and instructions for their use.* (a) The following materials, when free from sand, soil, or earth, unless otherwise noted; and when they have not been previously used as packing or otherwise with living plants, are approved as packing materials for use in connection with any shipment of restricted plant materials imported in accordance with §§ 319.37 to 319.37-28:

Buckwheat hulls.

Charcoal (inspection is difficult when this material is used. It should be used only where its particular qualities are especially desirable and other approved packing materials are unsuitable).

Coral sand from Bermuda, when free from surface soil, and certified as such by the Director of Agriculture of Bermuda.

Excelsior.

Exfoliated vermiculite.

Ground cork.

Ground peat.

Sawdust.

Shavings.

Sphagnum moss.

Vegetable fiber when free of pulp, including coconut fiber and *Osmunda* fiber, but excluding sugarcane fiber and cotton fiber.

(b) In addition, the following material is approved as a packing material for use in connection with lily bulbs from Japan imported in accordance with § 319.37-3:

Subsoil from Japan treated with an insecticide of a kind and in an amount deemed by the Chief of Bureau as adequate to destroy *Phyllobrotica* spp. and other insect pests, when certified by an authorized official of the Plant Protection Section, Japanese Ministry of Agriculture and Forestry, as having been dug from at least 2 feet below the soil surface, sifted, dried, and stored so as to prevent contamination with insects and plant diseases, and treated with an insecticide as prescribed by the Chief of Bureau.

(c) In cases of emergency an inspector may approve for use for specific shipments packing materials other than those listed, after he has determined that such materials are free from sand, soil, or earth and that their use does not involve a risk of introducing plant pests. Should the inspector determine that any unlisted packing material accompanying a specific shipment of restricted plant material is objectionable, the shipment may be refused entry.

(d) Regulations governing the entry of hay and straw packing material are contained in this Department's Bureau of Animal Industry Order 371 (9 CFR 95.21 and 95.22). Such material is restricted entry from countries where rinderpest or foot-and-mouth disease exists. Any such material offered for entry without having met the conditions of § 95.21 (9 CFR 95.21) is required by § 95.22 (9 CFR 95.22) to be disinfected or burned. The provisions of this Bureau of Animal Industry order are not applicable to hay or straw mats, jackets, or casings.

(e) All restricted material from Europe and Canada must be free from willow withes. Such material, when not free from willow withes, will be refused entry until the withes are removed and destroyed. Such material, when accompanied by willow withes, may be held in customs custody for a period not exceeding 40 days, during which period the permittee or his agent, after making satisfactory arrangements, may remove and destroy the withes under the supervision of, and in a manner satisfactory to, an inspector, after which the shipment may be handled in the usual way.

Prior to the revision of Nursery Stock, Plant, and Seed Quarantine No. 37, effective January 1, 1949, untreated subsoil from Japan was listed as an approved packing material for Japanese bulbs. When the quarantine was revised this item was omitted because such finely textured soil, when packed around bulbs, made it difficult to satisfactorily inspect the bulbs for infestation with *Phyllobrotica* spp. and certain other insects. Other materials were approved that at that time were considered superior substitutes for subsoil. These substitutes have not proved as useful as subsoil in shipping and storing Japanese lily bulbs. It is accordingly proposed to again approve the use of Japanese subsoil as a packing material, provided it has been dug from a depth of 2 feet below the soil surface; has been sifted, dried, and stored so as to prevent contamination with insects and plant diseases; has been treated with an insecticide of a kind and in an amount deemed by the Chief of the Bureau of Entomology and Plant Quarantine as adequate to destroy insect infestations that might be presently and has been so certified by Japanese plant quarantine officials. During the past two shipping seasons, numerous tests have been made with DDT-treated Japanese subsoil. Bulbs shipped and stored in such a mixture have bloomed satisfactorily.

All persons who desire to submit written data, views, or arguments in connection with this matter should file the same with the Chief of the Bureau of Entomology and Plant Quarantine, Agricultural Research Administration, United States Department of Agriculture, Washington 25, D. C., within 15 days after the date of the publication of this notice in the *FEDERAL REGISTER*.

(Sec. 5, 37 Stat. 316, as amended; 7 U. S. C. 159)

Done at Washington, D. C., this 10th day of June 1953.

[SEAL] AVERY S. HOYT,
Chief, Bureau of Entomology
and Plant Quarantine.

[F. R. Doc. 53-5583; Filed, June 25, 1953;
8:45 a. m.]

Production and Marketing Administration

17 CFR Part 951 I

[Docket No. AO 135-A4]

TOKAY GRAPES GROWN IN SAN JOAQUIN AND SACRAMENTO COUNTIES IN CALIFORNIA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS WITH RESPECT TO PROPOSED AMENDMENTS TO AMENDED MARKETING AGREEMENT AND ORDER

Pursuant to the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900) notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Assistant Administrator, Production and Marketing Administration, United States Department of Agriculture, with respect to proposed amendments to Marketing Agreement No. 93, as amended, and Order No. 51, as amended (7 CFR Part 951) hereinafter referred to as the "marketing agreement" and "order," respectively, regulating the handling of Tokay grapes grown in San Joaquin and Sacramento Counties in the State of California, to be made effective pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.) hereinafter referred to as the "act." Interested parties may file written exceptions to this recommended decision with the Hearing Clerk, United States Department of Agriculture, Room 1353, South Building, Washington 25, D. C., not later than the close of business on the 10th day after publication hereof in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminary statement. The public hearing, on the record of which the proposed amendments to the marketing agreement and order are formulated, was initiated by the Production and Marketing Administration as a result of proposed amendments received from the Industry Committee, established pursuant to the marketing agreement and order as the agency to administer the terms and provisions thereof. In accordance with the applicable provisions of the aforesaid rules of practice and procedure, a notice that a public hearing would be held at Lodi, California, beginning on April 20, 1953, to consider the proposed amendments, was published in the FEDERAL REGISTER (18 F. R. 1785) on March 31, 1953.

Material issues. The material issues presented on the record of the hearing were concerned with amending the marketing agreement and order to:

(a) Discontinue the regulation of daily shipments of Tokay grapes by means of limiting the quantity of grapes to be released each day from railroad and cold storage assembly points and to prescribe a new method for limiting the total volume of shipments of Tokay grapes;

(b) Increase from \$5.00 to \$10.00 per day the compensation paid to members

of the Industry Committee for attending meetings of the committee and for performing services, necessary in connection with the administration of the marketing agreement and order, at the request of the committee;

(c) Authorize the payment of compensation to, and the reimbursement for expenses necessarily incurred by, alternate members of the Industry Committee and the Shippers' Advisory Committee for attending meetings of the respective committees, on the same basis as provided for members of the committees, even though the committee members for whom they are alternates are also present at such meetings;

(d) Authorize the Industry Committee to vote by mail, telephone, or telegraph and prescribe the circumstances under which such voting should be permitted; and

(e) Modify the provisions for exemption certificates by limiting the amount of exemption which may be granted a grower where the particular vineyard involved is less than 10 years of age.

Findings and conclusions. The findings and conclusions on the material issue are based upon the evidence adduced at the hearing and the record thereof, and are as follows:

(a) Under the current provisions of the marketing agreement and order, regulations may be instituted limiting the quantity of Tokay grapes shipped, or to be shipped, via rail lines which may be released daily from railroad and cold storage assembly points. This method of regulating the volume of shipments of grapes generally is referred to, by the Tokay grape industry, as "car concentration." The maximum period of time that a carload of grapes so regulated may be held at a railroad assembly point is 72 hours. Although the marketing agreement and order also provide, in conjunction with the "car concentration" regulation, for a prohibition on the packaging and loading of Tokay grapes for short periods of time in order to avoid an excessive accumulation of carloads of grapes at the railroad assembly points, it was not always possible to time such packaging and loading "holidays" so as to prevent releases in excess of the quantity of grapes which had been fixed as the advisable quantity to be shipped each day.

There has been an increasing volume of Tokay grapes shipped by truck in recent years. During the 1939 season, only 229,564 standard packages of Tokay grapes, or less than six percent of the total quantity sold for fresh consumption, were shipped by truck. The majority of such shipments were destined to nearby markets within the State of California. In 1952, however, truck shipments accounted for 1,616,183 standard packages or over 25 percent of the 6,357,496 standard packages of Tokay grapes marketed in fresh fruit channels. Many markets, particularly those in the Southwestern States, now receive almost all of their supplies of Tokay grapes by truck. This increased volume of truck shipments of Tokay grapes in recent years has reduced the effectiveness of the car concentration

regulation limiting only that portion of the total movement that is shipped in rail cars. Since it is likely that the volume of truck shipments of Tokay grapes will continue to increase, car concentration regulations will become less and less effective.

The bearing acreage of Tokay grapes in San Joaquin County, which produces approximately 97 percent of the Tokay grapes grown in the production area covered by the marketing agreement and order, has increased during the past 10 years from 17,369 to 22,759 acres. During the same period, fresh shipments of Tokay grapes have ranged from 3.4 million packages in 1945 to 6.3 million packages in 1952. The portion of total production of Tokays marketed fresh is not constant from year to year, however. In some years, a substantial acreage of Tokay grapes is harvested solely for crushing even though a substantial portion of such grapes generally may be of a quality suitable for fresh shipment. Or, if the prices being paid for grapes for crushing are low in relation to prices being received in fresh market channels, growers may pack for fresh shipment as large a portion of their crop as possible. Also, early rains may curtail fresh shipments and result in a large portion of the crop of Tokay grapes being harvested for crushing even though fresh shipments thereof prior to such rains were being made in heavy volume. Thus, a light crop of Tokay grapes may lead to heavier total fresh shipments than the quantity so shipped from larger crops.

Evidence presented at the hearing shows there is a close correlation between supplies and prices of Tokay grapes—as the volume of shipments of Tokay grapes increases, there is an accompanying decline in the average price received for such grapes. It was demonstrated further that as the average price for Tokay grapes declines, growers tend to increase their harvesting and packing operations in an effort to market as large a portion of their crops as possible before the price further declines. Also, with a declining market, buyers tend to limit their purchases of grapes to the quantity which they can dispose of rapidly in order to avoid losses which otherwise would accrue when supplies of grapes purchased at lower prices reach the market. Thus, as shipments of Tokay grapes increase and prices decline, there is a tendency both to increase further the supplies offered for sale and to depress the level of demand. Once prices break sharply, extremely heavy curtailment of shipments over a relatively long period of time may be required to bring prices back up to a level which is profitable to growers. By regulating the volume of shipments of Tokay grapes during the period of peak harvesting and packing operations, sharp declines in the price level can be avoided and returns to growers improved.

Therefore, the marketing agreement and order should be amended, as hereinafter set forth, to discontinue the use of the "car concentration" regulation and to provide a more effective and equitable method of regulating the flow

of the volume of shipments of Tokay grapes.

In order that there may be a clear understanding of applicability of certain terms used in the provisions of the marketing agreement and order as proposed to be amended, such terms should be defined and given specific meanings.

The quantity of grapes packed by or for a handler is to be used in ascertaining the amount of allotment to be allocated or apportioned to such handler. A small percentage of harvested Tokay grapes is delivered to a packing shed where they are placed into shipping containers for transportation to market or storage. However, most Tokay grapes are field packed, i. e., the picking crews place the grapes into shipping containers as such grapes are picked from the vine. Usually, such containers of grapes are then transported to a packing shed or loading platform for shipment in fresh market channels, or to a storage warehouse for precooling or storage. Occasionally, however, such grapes are loaded directly into a truck for shipment to market or the containers of grapes may be left in the vineyard overnight if the picking occurs late in the day. If the latter containers of grapes were to be included in the quantity packed by or for a handler, duplication would undoubtedly result, as some of the grapes counted in the vineyard probably would again be counted when they are delivered to the loading platform or packing shed. It is necessary, therefore, in order to obviate such errors, that the quantity of grapes packed by or for a handler should not include grapes other than those that have been delivered to a packing shed and there placed into shipping containers or those that have been placed into shipping containers and delivered to a packing shed or loading platform or to a vehicle for transportation to market or storage. Therefore, the term "pack" should be defined as hereinafter set forth.

Definitions of "allotment period" and "day" should be incorporated into the provisions of the marketing agreement and order as proposed to be amended to establish the period during which the specific quantity of grapes, prescribed in a regulation, may be shipped. In order to provide the necessary flexibility of operations, each such allotment period should consist of any three consecutive days beginning at such time as may be established in the regulation. By so doing, regulations may be placed in effect beginning on any day when regulation appears necessary and desirable, which would not be the case if the allotment periods were fixed, in the marketing agreement and order, as certain days of the week. The peak shipping period each season when volume regulation may be necessary may not extend longer than three or four weeks. Therefore, in order to give appropriate consideration to the intraseasonal pattern of shipments by individual handlers, as hereinafter discussed, the duration of an allotment period should be three calendar days. However, Saturday and Sunday should be considered the same as one calendar day as handlers generally

pack and ship grapes on only one of such days. Some handlers pack and ship grapes on Saturday but not on Sunday, while others pack and ship grapes on Sunday but not on Saturday. Moreover, the total quantity of grapes packed and shipped on Saturday and Sunday approximates the quantity of grapes packed and shipped on any other day of the week. The terms "allotment period," and "day" should be defined, therefore, as hereinafter set forth.

Authority should be provided, in the marketing agreement and order as proposed to be amended, for the Industry Committee to recommend to the Secretary regulations limiting the volume of grapes handled during an allotment period or periods. The committee's recommendations should be predicated upon investigation of the supply and demand conditions for Tokay grapes, including, but not being limited to, the following: (1) Market prices for grapes; (2) supply, quality, and condition of grapes in the production area; (3) the supply of grapes on hand in, and en route to, the principal markets; (4) market prices and supplies of competitive fruits, including other varieties of grapes; (5) the probable daily shipments of grapes in the absence of volume regulation; and (6) trend and level of consumer income. The requirement that the committee investigate such factors and base its recommendations thereon should assure the development of economically sound and practical recommendations for regulation. Also, the committee will be in position to furnish the Secretary with factual information with respect to the supply and demand conditions for Tokay grapes and the marketing problems confronting the industry.

If the Secretary should find, from the recommendations and information submitted to him by the committee, that to limit the total quantity of Tokay grapes that may be handled during a specified allotment period or periods would tend to effectuate the declared policy of the act, he should so limit the shipment of grapes during such period or periods. Authority should be provided, also, for the Secretary to consider and act upon the basis of any other pertinent information available to him, however, as the Secretary may have information, not in possession of the committee when it made its recommendation for regulation, which would indicate that the regulation recommended should not be placed in effect or that any such regulation should differ from that recommended.

The Secretary should be authorized, upon the basis of the recommendation of the Industry Committee or other available information, to increase or decrease, at any time, the quantity of grapes which may be handled during any allotment period or periods. Supply and demand conditions for Tokay grapes are subject to frequent and substantial changes during the course of a particular marketing season. It is essential that the committee be permitted to recommend, and the Secretary to make effective, modifications in the level of regulation or the termination of the regulation in recognition of changed supply and demand

situation. However, any such modification which would decrease the quantity of grapes that may be handled during an allotment period should be made prior to the beginning of that period. Under the proposed provisions, handlers may ship a substantial portion of their allotment during the first one or two days of the allotment period or may loan all of their allotment at any time during the period. Thus, it would not be feasible to reduce the total quantity of grapes to be shipped during an allotment period after the commencement of that period.

The Industry Committee should give notice to growers and handlers of any meeting to consider recommendations for volume regulation and any of such recommendations submitted to the Secretary. Likewise the Secretary should notify the committee promptly of the issuance of any such regulation; and the committee, in turn, should promptly notify growers and handlers of the action taken by the Secretary. The requirement that the committee give prompt notice of all its actions pertaining to recommendations for regulation, and that the committee be advised promptly of each regulation issued and thereafter promptly give notice of the Secretary's order, is appropriate and necessary for proper and efficient administration of the program. Growers and handlers should have knowledge of meetings of the committee to consider recommendations for regulation so that they may attend such meetings and express their views concerning the need for regulation. It will be beneficial for the committee to have such views to assist it in the formulation of its recommendations. Growers and handlers should be promptly informed of the committee's recommendation and of any regulation issued by the Secretary so that they may make such advance plans as are possible for adjusting their operations to conform to such regulations. Such notice should be given by mail, newspaper, or such other means as may be required and appropriate to enable all growers and handlers to be informed of the nature and scope of the regulation as recommended and as finally issued.

Whenever the Secretary issues a regulation limiting the total quantity of grapes that may be shipped during an allotment period, such quantity should be allotted, in the manner herein provided, to all handlers who first handle grapes (herein called "first handlers"). Such allocation of the total quantity of grapes fixed by the Secretary as the quantity that may be shipped during an allotment period should be made only to those persons who will handle such grapes as the first handlers thereof. It is necessary only that the total shipments of grapes by all the first handlers thereof be within the quantity fixed by the Secretary as the subsequent handling of such grapes does not increase the total volume of such shipments.

It is a desirable exercise of the provisions of the act to authorize the Industry Committee to compute the allotment to be allocated to handlers, and the amended marketing agreement and order should so provide. The committee, by

reason of its knowledge of the Tokay grape industry, is well qualified to check the information, as hereinafter required to be submitted, relating to such allocation of allotment and to make such computations.

The previous two-years' shipments of grapes from the vineyards from which a handler is to market the grapes during the then-current season generally will provide an equitable measure of the quantity of grapes that such handler has available for current shipment. According to the record of the hearing, the relation of each handler's shipments of grapes during a season to the total of such shipments changes very little from season to season. Such changes as do occur are primarily the result of a handler either gaining or losing growers.

Individual vineyards may, because of rain, frost, disease, or other conditions, produce a relatively light crop during a season when the production of most vineyards is generally heavy or certain vineyards may be increasing or declining in production at a rate different from other vineyards. However, by using the preceding two-year's shipments from all the vineyards under a handler's control, the seasonal variations in production are minimized. Moreover, nearly all handlers will be shipping grapes from vineyards of these types so that the effects of such varying production would be off-set and the relative position of each handler maintained.

The quantity of grapes shipped during the preceding two years from the vineyards currently being handled by each handler should be used, therefore, as the major factor in computing the allotment to be apportioned to the respective handlers each allotment period. However, some handlers' heaviest shipments of grapes occur early in the season, others make their heaviest shipments late in the season, and some handlers ship the heaviest near the middle of the season. Therefore, provision should be made, affording adequate flexibility in the operation of the program, so that each handler will receive, during the period when he normally ships grapes in heaviest volume, a larger share of the permitted shipments of grapes, as prescribed in the regulation, than would be the case if such quantity were to be allocated among handlers solely on the basis of previous shipments of grapes from particular vineyards. The intra-seasonal pattern of shipments by individual handlers is reflected by the volume of grapes packed by or for each such handler. Thus, the quantity of grapes packed by or for a handler immediately prior to an allotment period provides an equitable base for increasing a handler's allotment during the portion of the season when he ships grapes in heaviest volume. The aggregate quantity of grapes packed during a three-day period preceding the allotment period should be used for such purpose in order that an increase in the level of packing operations of the handler be promptly reflected in the allocation of allotment, but at the same time avoid such an increase based on a temporary daily fluctuation in the quantity of grapes so packed.

However, such three-day period must precede the allotment period by one day in order that the Industry Committee may, prior to the allotment period, assemble the necessary information, make the computations required in connection with the allotment of each handler, and notify handlers of their allotments. Also, the hearing record shows that since the early harvesting of grapes is sporadic and all handlers may not be packing or receiving grapes each day of the three-day period preceding the initial regulation of the season, the quantity of grapes packed by or for each handler during a six-day period should be used in connection with the determination of each handler's allotment for the initial regulatory period of each season.

The proposal that 75 percent of each handler's allotment be derived from the relationship between the past two years' shipments of grapes from the vineyards currently being handled by such handler and the total grape shipments of all handlers during such two years appears fair and equitable. Likewise, basing 25 percent of each handler's allotment on the relationship between the quantity of grapes packed by or for such handler during the specified period and the total quantity of grapes packed by or for all handlers during such period will give adequate recognition to the intraseasonal fluctuations in the shipments of individual handlers.

There was considerable discussion at the hearing in regard to whether or not grapes packed by or for a handler but placed in storage for later shipment should be considered in the computation of the allotment of that handler. It was contended that an advantage would accrue to the handler whose growers own storage if the grapes so stored contribute to an increase in the allotment of that handler above that which would otherwise be computed for him. On the other hand, it was shown that the packing of such grapes should not be limited; that the time of shipment of the heaviest volume of grapes by individual handlers varies widely; that provision should be made to give a handler a larger share of the total permitted shipments at the time he normally would ship grapes in heaviest volume and that this could not be accomplished if that portion of a handler's grapes that is placed in storage is excluded from the computation of such handler's allotment; that the storage of grapes during the peak harvesting period will implement the proposed regulation of the volume of shipments of grapes; that even in the absence of volume regulation growers and handlers owning storage have an advantage over those who do not have such facilities in that the person with storage available can continue normal harvesting and packing operations during periods of unsatisfactory prices whereas the grower or handler without storage available must either discontinue harvesting operations and leave his grapes on-the-vine or continue marketing grapes during such periods; and that it should not be difficult for growers and handlers to lease necessary storage if they desire to do so.

Moreover, it was demonstrated that the proposal to base only 25 percent of each handler's allotment on the quantity of grapes packed by or for such handler would minimize any advantage that may accrue by virtue of the ownership of storage. It is, therefore, found and concluded that each handler's share of the total shipments of grapes during each allotment period should be based upon both the past two-years shipments of grapes from the vineyards currently being handled by such handler and the quantity of grapes packed by or for such handler (including grapes that are packed and placed in storage) during the specified period prior to such allotment period.

Provision should be made in the marketing agreement and order as proposed to be amended so that whenever a grower transfers from one handler to another during a season, there will be an adjustment made in the allotment percentages of such handlers to reflect the increase and decrease in the quantity of grapes available for current shipment by the respective handlers. Such adjustment should be made by the Industry Committee as this agency is to compute the allotment percentages and allotments for all handlers. Application for such adjustment should be submitted to the committee by the handler gaining authorization to ship the grapes from a vineyard. The committee will need to be informed of the transfer in order to make the adjustment and the handler to whom the grower transferred is the logical person to so advise the committee. Also, the handler gaining the grower should submit to the committee a confirmation of the transfer, by the grower involved or the handler losing the grower, in order to avoid possible errors. In addition, it should be required that the application for such an adjustment be submitted to the committee at least two days prior to the allotment period when the adjustment is to be effective as the committee must have time to check the application and make the necessary revisions in the allotment percentages of both such handlers.

Only a first handler should receive allotment to ship grapes. If the first handler of the grapes covers the shipment with allotment, it is not necessary that a subsequent handler do so. Thus, only first handlers should make application to the Industry Committee for allotment to ship grapes during the period when regulation of the volume of such shipments is effective. The committee cannot, of course, equitably distribute to handlers the total quantity of grapes to be shipped during an allotment period unless each handler who desires to ship grapes as the first handler thereof so advises the committee. Such application should provide the committee with all of the information it will need to compute the allotment percentage and thus the allotment of each handler. Such information should include: (1) An accurate description of the location of each vineyard, or portion thereof, from which grapes will be handled by the applicant during the current season; (2) the number of acres and the age of the vines in each such vineyard, or portion

thereof; (3) the name and address of the grower, or his authorized agent, of each such vineyard, or portion thereof; (4) the number of standard packages of grapes shipped from each such vineyard, or portion thereof, during each of the two preceding seasons; and (5) the same information required in (1) through (4) with respect to all other vineyards from which the applicant shipped grapes during either or both of the two preceding seasons. The committee must know the location of each vineyard, or portion thereof, from which grapes will be handled by an applicant, together with name and address of the grower or his agent and the record of shipments therefrom during the preceding two years, in order that the committee will know precisely the vineyards from which the applicant will ship grapes during the current season and thus be in a position to check the accuracy of the claims of the applicant. It is, of course, possible that more than one applicant may claim he is to ship the grapes from a particular vineyard; and the committee must have the information needed to contact the grower or his agent and determine who is to market the grapes from such vineyard. Information concerning the number of acres and the age of the vines in each vineyard, or portion thereof, is needed by the committee to aid in the verification of the claims of the applicant. In many instances, the grower may market the grapes from a vineyard through more than one handler, and the age of the vines in different portions of the vineyard often serves as the basis of splitting shipments between these handlers. Likewise, information concerning the number of acres and the age of the vines will assist the committee to determine whether the claims of the applicant with respect to the past shipments therefrom are reasonable and whether close checking of such claims is indicated. Also, this information will facilitate the handling of applications for adjustment of allotment as hereinafter provided.

Records of shipments and other identifying information concerning the vineyard from which the applicant shipped grapes during one or both of the two preceding years, but which will not be handled by the applicant during the current season, is needed in order that the committee may check the accuracy of the claims of the applicant who will be handling these grapes during the season. Handlers should be willing to furnish this information to the committee since, in general, all handlers gain or lose a few growers each season and thus it will advantage all handlers to have this information reported to the committee.

Each season, the grapes in some vineyards are sold on-the-vine to cash buyers. In many instances, the cash buyer does not maintain a record of the shipments from each vineyard so handled. However, he usually will maintain a record of his total shipments of grapes from all vineyards so handled and such total shipments should be used, where available, to establish the prior shipments of grapes from these vineyards. The proposal that the prior shipments of grapes from each such vineyard be

computed on the basis of the average shipments per acre for the entire group of such vineyards is fair and equitable and it should be so provided in the marketing and order.

All of the evidence of record is to the effect that the information required in connection with such application is available to handlers and can readily be furnished to the committee.

The time and manner of filing applications for allotment should be prescribed by the Industry Committee. As the committee will have intimate knowledge of the crop conditions each season, it will be in the best position to determine when the applications should be submitted. Also, as the committee gains experience in the administration of the volume regulation, it should be permitted to change the type of application to be filed if desirable.

The committee should be required to check the accuracy of all information submitted in the applications for allotment, as well as all other information having a bearing on the computation of the allotments of handlers, and to correct any inaccuracy found in such information. The applicant should be notified of any such correction and should be given an opportunity to discuss with the committee the reasons for making the correction. Accurate information concerning the prior shipments from the vineyards currently being handled by the applicant and the quantity of grapes packed by or for the applicant during the specified period preceding the allotment period is essential to the equitable apportionment of the total quantity of grapes to be shipped each allotment period. In the event an error or inaccuracy in such information is not discovered until after allotments based thereon have been computed, and such error or inaccuracy has resulted in a handler receiving more or less allotment than he should have received, the Industry Committee should make such adjustments in future allotments as may be necessary to offset any advantage or disadvantage which otherwise would accrue to such person. The provision for adjustments to offset errors is necessary in order to assure equitable distribution of the total permitted shipments. The extent to which such adjustment may be required cannot be ascertained without experience in the operation of the program. Therefore, the manner in which such adjustments will be made should be prescribed by the committee.

Each season there are some vineyards within the production area from which grapes may not have been shipped during the prior two years, or, if grapes had been shipped from the vineyard, the records of the quantity shipped during one or both of the two previous seasons have been lost or otherwise are not available. In addition, there are some vineyards from which the shipment of grapes may have been curtailed, during one or both of the two preceding seasons, by weather conditions, low prices for grapes at the time the grapes were ready for packing, or other causes. In these circumstances, the available information concerning the prior shipments, if any, from such vineyards would not be indicative of the

quantity of grapes that may be available for current shipments from these vineyards. In order to provide for the apportionment of allotment among handlers on a basis which, insofar as practical, is representative of the quantity of grapes each such handler has available for current shipment, the Industry Committee should be authorized to allocate allotment to handlers marketing the grapes from such vineyards in addition to the allotment which otherwise would be allocated to them on the basis of the prior shipments of grapes from such vineyards.

As the basis for computing the amount of any such adjusted allotment, the Industry Committee should establish each season the quantity of grapes per acre which is likely to be shipped during that season. Such quantity should then be used in lieu of the actual prior shipments of grapes, if any, from the vineyards for which such an adjustment of allotment is warranted. The issuance of adjusted allotment in the manner prescribed will provide handlers with allotment for such vineyards which will approximate the average amount of allotment issued on the basis of all of the other vineyards for which previous shipments are available. Of course, the maximum amount of adjusted allotment allocated to a handler should not exceed the amount which he requests.

According to the evidence of record, vineyards which are four years of age or younger may produce some grapes but normally do not produce grapes which are of a quality suitable for fresh shipments. When vineyards are five or six years old, however, shipments of grapes may be made in fresh market channels and thereafter until the vineyard reaches maturity the production of grapes suitable for fresh shipment generally increases each year. For mature vineyards—vineyards that are ten years of age or older—production is relatively stable although it may vary as the result of weather conditions, production practices, or other conditions. Thus, the Industry Committee should establish separately for vineyards of each age up to 10 years and for mature vineyards, the quantity of grapes, per acre, likely to be shipped from the respective vineyards; and adjustment of allotment for the vineyards in these classifications should be handled separately.

In establishing the aforesaid quantities of grapes likely to be shipped, the Industry Committee should consider (1) The estimated production of grapes for the current season; (2) the average number of standard packages of grapes, per acre, shipped from the production area during preceding seasons; (3) the estimated total acreage of grapes in the production area during the current season and past seasons; (4) the production records of mature vineyards and vineyards of each age group from one to nine years old; (5) the acreage of grapes that has been thinned; and (6) any other relevant factors. From these factors and general knowledge of the crop and the economic conditions under which it will be marketed, the Industry Committee will be able to arrive at a quantity of grapes, per acre, likely to be shipped during the sea-

son from vineyards of each age group, thereby enabling the committee to allocate adjusted allotment on a fair and equitable basis.

Whenever an adjustment of allotment is made for a particular vineyard, the handler receiving the adjusted allotment should be required to pack, or have packed, grapes from that vineyard at a specified rate during the allotment period in which the adjustment is applicable or lose the adjusted allotment. If handlers were not required to pack grapes from a vineyard for which adjustment is made, handlers could request adjusted allotment for each of their vineyards from which prior shipments were less than the aforesaid applicable quantities established by the committee regardless of whether any adjusted allotment was needed to handle the grapes in the particular vineyard. Also, there are vineyards which are seldom, or never, harvested for fresh shipment. In most instances the grapes in these vineyards are grown for crushing by wineries. Unless a performance requirement is provided as a condition of receiving adjusted allotment, any handler could sign up these vineyards and apply for adjusted allotment thereon even though such allotment would not be used to ship grapes from such vineyards. The handler who succeeded in signing up a large number of such vineyards would receive total allotment much larger in proportion to that received by other handlers, considering the amount of grapes each handler has to market.

The requirement that a handler pack grapes, or have grapes packed, from any vineyard for which adjusted allotment is granted, in an amount equal to 50 percent of the initial adjusted allotment, and 80 percent of each subsequent adjusted allotment, in addition to the amount of allotment issued on the basis of the prior shipments of grapes from such vineyard, is reasonable and necessary to give the requisite recognition to the fact that the quantity of grapes that may be harvested from a particular vineyard during an allotment period cannot be estimated with exactness, particularly when the estimate is made prior to the time harvest is first begun in such vineyard. If a handler cannot pack grapes, or have grapes packed, in substantial quantities in accordance with such performance requirement, it is likely that he did not make a sufficiently careful survey to see whether the grapes would be ready for harvesting and packing during the period for which the adjustment of allotment was requested or the adjusted allotment was not required for the vineyard to the extent requested. Consequently, the amount of the adjusted allotment previously granted the handler should be deducted from the next allotment of such handler. However, such provision should not prevent any handler from applying for, and receiving, adjusted allotment for the same vineyard at any time in the future when the requisite packing of grapes can be performed.

In the event grapes are packed from a vineyard, with respect to which adjusted allotment was allocated to a handler, in excess of the amount required,

the handler should be permitted to apply such excess against any required subsequent packing performance for such vineyard. It may be more practical during a given allotment period to pack the grapes in that vineyard in an amount exceeding that required for such period and to pack less than that required during a subsequent period. Thus, the provision, as hereinafter set forth, requiring the packing of grapes from vineyards for which adjustment of allotment is granted is designed so as not to interfere with practical and economical harvesting operations.

Handlers desiring adjustment of allotment should make application therefor to the Industry Committee. Such application should be submitted at least two days prior to the allotment period during which the adjustment of allotment is requested so that the committee will have time to verify the information on which the adjustment is to be based and to compute the amount of the adjusted allotment to which the applicant is entitled. The application should, of course, identify the vineyard for which adjustment of allotment is requested and state the allotment period or periods during which the adjustment is desired. It should also state the amount of adjusted allotment requested for each such period, as the applicant may not be able to comply with the packing requirements applicable to the vineyard if the maximum amount of adjusted allotment permitted for such vineyard were issued to him for each period.

The provisions of the amendment to the marketing agreement and order should prescribe the manner in which handlers may use the allotments apportioned to them by the Industry Committee in order to prevent excessive shipments of grapes on any one day within an allotment period. If each handler were permitted to use all of his allotment at any time during the allotment period and many handlers decided to use the major portion of their allotments on the same day, shipments of grapes would be excessively heavy on that day and light on the other days of the allotment period. This would not be conducive to the orderly marketing of Tokay grapes. It is necessary, however, to provide flexibility so that a handler may schedule his shipments of grapes subject to allotment to the best advantage. These objectives can be accomplished by providing for a daily allotment whereby handlers may use only one-third of their respective allotments for shipments of Tokay grapes on any one day of the allotment period and authorizing specific over and undershipment of the daily allotment. Under this provision, each handler would be authorized to exceed his daily allotment by 1105 standard packages (the equivalent of one carload) of grapes or such percentage of his allotment for the allotment period as may be established by the Industry Committee, whichever is the greater, with the limitation that a handler's net overshipment of allotment during the allotment period shall not exceed 500 standard packages of grapes. Thus, a handler could ship in excess of his daily allotment on the first or second day of the allotment period

and make up for the overshipment on the last day of such period. The provision that a handler may exceed his total allotment for an allotment period by 500 standard packages will permit him to complete the loading of a carload of grapes on the last day of the allotment period when his remaining allotment for that period is a few boxes short of a carload. A handler's allotment for any period should, however, be reduced by the amount of such prior overshipment thereby keeping the aggregate shipments of such handler within the allotments issued to him.

Also, if a handler does not desire to use all of his daily allotment for a particular day, he should be permitted to carry over the undershipment. In order that such undershipment privilege may not result in an excessive accumulation of allotment and, therefore, excessive daily shipments of grapes, it should be provided that an undershipment of daily allotment may be used during the remainder of the allotment period in which such undershipment occurs or the next allotment period only and that the amount of undershipment that can be used on any one day shall not exceed 1,105 standard packages or such percentage of the handler's total allotment, for the allotment period in which the undershipment occurred, as may be established by the Industry Committee, whichever is the greater.

The percentage applicable to the maximum amount of undershipment of daily allotment which may be made up on any one day of an allotment period, and the similar percentage of overshipment of daily allotment, should be fixed by the Industry Committee so that, as experience is gained in the operation of these provisions, the maximum amount of flexibility of operations by individual handlers can readily be attained.

Additional flexibility of operations under the program can be provided through the authorization that persons to whom allotment has been issued may loan such allotment to other persons to whom allotment also has been issued; and such authorization should be included in the amended marketing agreement and order together with such limitations on such loan transactions as are necessary and desirable. Allotment loans should be reported to the Industry Committee by both parties to the transaction within 24 hours after such loans are made in order that the committee will be currently informed as to the amount of allotment available to each handler during each allotment period. Such confirmation or report of an allotment loan should also state the allotment period of the then current marketing season when volume regulations are in effect when the loan is to be repaid. It is essential that all loan transactions be recorded with the committee so that accurate information thereon will be available at the committee offices in the event a question arises as to the amount of allotment loaned or borrowed or the date for repayment of the loan.

The requirement that allotment may be loaned only for use during the allotment period for which issued and that similar restrictions be placed upon the

use of the repaid allotment are necessary to the proper operation of the volume regulation. If handlers could loan allotment available to them as the result of an undershipment of allotment during a preceding allotment period, or if an allotment loan or the repayment of an allotment loan could be saved and used at any time desired by the recipient, it would permit handlers to pyramid allotments and would make meaningless the provisions with respect to the maximum shipments of grapes which may be made during an allotment period. By restricting an allotment loan transaction, including the use of borrowed and repaid allotment, to the period during which the allotment is issued, the total allotment that is available for use during such period will not be increased. The reloaning of a repaid allotment should not be prohibited, however, since this would be comparable to the renegotiation of the repayment date of the loan agreement and would not increase shipments during the allotment period.

Allotment which is loaned should not again be loaned by the borrower. According to the evidence of record, handlers would be reluctant to make allotment loans if the borrowers were permitted to reloan the allotment. Many handlers pack exceptionally high quality grapes, and a large number of them undoubtedly will restrict their allotment loan transactions to other handlers who pack comparable quality grapes and may refuse to make allotment loans if the borrower could reloan the allotment. Also, uncertainty as to who would repay the allotment loan would result if the reloaning of borrowed allotment were permitted.

The Industry Committee can serve a useful function by assisting handlers in the making of allotment loans. For example, there may be handlers who have allotment that they desire to loan but do not know of any one desiring to borrow allotment. At the same time, other handlers may wish to borrow allotment but who do not know of anyone who has allotment available to loan. The committee should, therefore, be authorized to assist handlers in effecting the loan transactions which each desires to make. The committee should furnish each party thereto with a written confirmation of each such transaction so that there will be no question concerning the amount of loan or the date when the loan is to be repaid. Handlers should not be required to notify the committee concerning any allotment loan arranged by it, however, since the committee will have knowledge of all such loans.

The amendment to the marketing agreement and order should prescribe the sequence in which a handler uses allotment when he makes a shipment of grapes. If a handler uses all of the allotment available to him during an allotment period, no problem is presented. However, a handler may have allotment available to him during an allotment period by reason of an undershipment of allotment during the preceding period, the loan of allotment, or the repayment of a loaned allotment, in addition to his allotment for such allotment period. If such handler makes shipments of grapes

in an amount less than such total allotment, it is necessary to determine the extent to which the remainder of such allotment may be carried forward to the next allotment period. Shipments of grapes made by a handler should first be applied against his allotment for the then current allotment period. As heretofore indicated, an undershipment of allotment during an allotment period must be used no later than the next allotment period to prevent an excessive accumulation of allotment which then could be used during subsequent allotment periods to make shipments of grapes in much heavier volume than the quantity advisable to be shipped. If shipments of grapes were applied first to allotment available by reason of an undershipment of allotment, this would be tantamount to permitting a handler to save allotment for use at any later time he so desired. The foregoing would also be applicable if shipments were to be first applied against an allotment which had been borrowed or against the repayment of an allotment loan. However, it is reasonable to assume that a handler will not borrow allotment if the current allotment issued to him plus allotment available to him by reason of an undershipment of allotment is at least equal to the shipments he will make during that allotment period. Consequently, shipments reasonably should be applied to allotment available as the result of an undershipment of allotment immediately after all of the current allotment has been used and thereafter applied against borrowed allotment. As previously explained, reloaning of an allotment that has been repaid will not increase the total allotment that is available for an allotment period, and, therefore, shipments should be applied last to repaid allotment.

In order that the limitation on the volume of shipments of grapes shall be effective, it is necessary to prohibit the shipment of grapes during any period when such regulation is in effect unless the person making the shipment has allotment to do so. Since grapes that are in storage do not compete with the grapes that are being sold and distributed in the consuming markets, an exception should be made so that allotment is not required for the shipment of grapes to refrigerated storage warehouses within the State of California. Such exception should apply only to the delivery of grapes to storage for storage purposes; and allotment should be required at the time such grapes are removed from storage and transported to market, as the grapes then contribute to the total supplies available for sale the same as other grapes then being shipped. According to the evidence of record, few grapes are placed in storage outside the State of California and it would not be possible, except at great expense to the industry, to assure that grapes placed in storages outside the State of California were not removed from such storage without allotment. This exception, therefore, should be limited to the grapes placed in storage facilities within the State of California.

A means should be provided in the marketing agreement and order whereby

the Industry Committee can check all shipments of grapes to determine whether each such shipment is covered by allotment. Shipments of grapes made by railroad lines and to storage facilities within the State of California can be checked readily but the same is not true with respect to truck shipments of grapes. Therefore, to assure compliance with the applicable limitation on the shipment of grapes by individual handlers, provision should be made in the marketing agreement and order requiring handlers to issue a certificate of assignment of allotment with respect to each shipment of grapes by truck. Such certificate should set forth all of the information required to identify clearly the shipment and to ascertain whether the handler had allotment to cover the shipment, including: the date of the shipment; the name and address of the buyer or consignee; the number of standard packages of grapes, or the equivalent thereof in weight, contained in the shipment; the license number of the truck or trailer in which the shipment of grapes is made; and the name and address of the handler issuing the certificate. It is necessary that such information be accurate so that the committee may readily check the shipment and make the requisite determination concerning the allotment available to the handler. The certificate should therefore also contain a certification to the Department of Agriculture and the Industry Committee as to the accuracy of the information contained therein.

To insure that the Industry Committee does not act arbitrarily in any matter concerning its administrative functions under the program, any grower or handler who is dissatisfied with any action by the committee should have the right to appeal the action and have the matter decided by the Secretary. Any such appeal should be submitted first to the committee for further consideration and the committee should be required, if it affirms its original action, to submit the appeal, together with all information pertaining thereto, to the Secretary. As the marketing season for grapes is relatively short, any such appeal to the committee and the determination thereon by the committee should be made promptly.

In order to enable the Industry Committee to perform its duties and functions in connection with the administration of the marketing agreement and order, as herein proposed to be amended, the current reporting provisions should be revised in the manner set forth.

Each handler should be required to furnish (either directly or indirectly through others such as railroad, transportation, or storage agencies) the committee with necessary information with respect to all grapes handled, or packed by or for, such handler. Such information should be furnished in such form and at such times, and should be substantiated in such manner, as the Industry Committee may prescribe. Such information may include: A daily report of all grapes packed by or for such handler; a report of all shipments outside the production area, except to storage within the State of California, which report shall include all grades^b shipped

from such storage and shall contain with respect to each such shipment the date and time of shipment, the name and address of the shipper, the car or truck license number, the number of standard packages of grapes or the billing weight thereof, the grade of the grapes, the name of the grower for whom the grapes are shipped, the place where the shipment originated, the destination and any diversions of the shipment made through any and all agencies; a report of all grapes delivered to refrigerated storage warehouses, for storage purposes, within the State of California showing the name and address of the shipper, the location of the storage warehouse, and the number of standard packages of grapes or the billing weight thereof; a report of all shipments of grapes made within the production area showing the name and address of the shipper, the name and address of the consignee, and the number of standard packages of grapes or the billing weight thereof; a report by vineyards of all grapes packed from vineyards for which adjustment of allotment has been issued; and such other reports as the Industry Committee may require. Such information may be compiled in summary form and made available, in such summary form, to all handlers and other interested parties who desire a copy thereof. Such compilation or summary should not reveal any data with respect to an individual shipment or the identity of any individual or agency. The committee should not disclose to any person other than the Secretary any information so reported other than in the manner indicated. Such restrictions on the disclosure of information is in accordance with the provisions of the act.

(b) The marketing agreement and order should be amended to provide that the members of the Industry Committee be compensated at a rate not to exceed \$10.00 per day for attending meetings of the committee and for performing services at the request of the committee, necessary to the administration of the program. The current provisions of the marketing agreement and order provide that such compensation shall not exceed \$5.00 per day. This rate of compensation was fixed at the time the program became effective in 1940 and it was then recognized that this amount would only partially compensate the committee members and alternates for the increased costs which would be incurred by them in the operation of their vineyards as the result of attending committee meetings and performing committee business. Increasing the rate of compensation to not to exceed \$10.00 per day will offset, to some extent, the losses which such members and alternates sustain through committee service.

(c) The marketing agreement and order should be amended to provide that the alternate members of the Industry Committee and the Shippers' Advisory Committee shall receive compensation and reimbursement for expenses incurred in attending meetings of the respective committees, on the same basis as provided for members of the committees, even though the committee members for whom they are alternates

are also present at such meetings. The present provisions of the marketing agreement and order permit the payment of compensation and the reimbursement of expenses to alternate members of the committees only when such alternates are acting for members. The committees have found it desirable to have the alternate members attend meetings of the respective committees so that such alternate members would have first-hand knowledge of the actions of the committees and of the information and discussions upon which such actions were based. In addition, the committees can also avail themselves of the views and advice of the alternate members if the alternates are in attendance at such meetings. The payment of compensation and the reimbursement of expenses incurred by alternate members of the committees on the same basis as provided for the members of the committees will contribute to the formulation of recommendations and other actions which reflect the views of the industry generally.

(d) The Industry Committee should be authorized to provide for voting by its members by mail, telephone, or telegraph. Experience in the administration of the program has shown that there are occasions when matters which are minor or routine in nature must be decided within a relatively short period of time even though these are the only problems which confront the committee at that time. Under the current provisions of the marketing agreement and order action on these matters must be taken at an assembled meeting although such matters could be handled fairly and more economically by a mail, telephone or telegraph vote of the committee members.

Any action taken by a mail, telephone, or telegraph vote should require the approval of all of the members of the committee, or their respective alternates if the member or members cannot be contacted, since it would not be possible under such circumstances for the member (or alternate) if he opposed the proposed action, to make his views known to the other members of the committee. It is possible that some of the other members would also oppose the proposal if such views were known to them. One dissenting vote by mail, telephone, or telegraph should therefore be sufficient to disapprove the proposed action and thus require an assembled meeting of the committee to decide the issue. All votes cast by telephone or telegraph should be confirmed in writing so that there would be a record of the action taken.

Mail, telephone, or telegraph voting should not be permitted when an assembled meeting is being held. To permit such a procedure would tend to discourage attendance at meetings.

(e) Under the current provisions of the marketing agreement and order, a grower is granted an exemption from grade regulation when he furnishes proof to the Industry Committee that by reason of conditions beyond his control he is prevented, because of the regulation in effect, from shipping an equitable proportion of his crop of grapes. Such

exemption certificates are granted, on a vineyard basis, in an amount equal to the greater of (1) the average quantity of grapes shipped from his district during the three preceding seasons and (2) the average quantity of grapes shipped from such vineyard during the preceding seasons. As the average shipment of grapes from all vineyards in a district is much higher than the shipments of grapes from so-called "immature vineyards," i. e., those less than 10 years of age, growers entitled to an exemption certificate for such immature vineyards have been permitted, under the current program, to ship a much larger percentage of their crops than the percentage shipped by other growers.

Therefore, the provisions of § 951.52 (b) of the marketing agreement and order should be revised to authorize the Industry Committee to establish each season the quantities of grapes, per acre, that are likely to be shipped from vineyards, that are nine years to one year of age, respectively, and such quantities should be used in lieu of the average quantity of grapes shipped from the district during the preceding three seasons in determining the amount of exemption to be granted for vineyards of each such age. In establishing the quantities of grapes likely to be shipped from immature vineyards, the Industry Committee should give consideration to the records of past shipments of grapes from such immature vineyards, crop prospects for the current season, the general quality of grapes from such vineyards and other pertinent information. The Industry Committee by reason of its knowledge of the conditions and problems relative to the production and handling of grapes from immature vineyards is well qualified to fix the quantities of grapes likely to be shipped from such vineyards each season and thereby grant exemption certificates applicable thereto which are fair and equitable to all growers. Such quantities should be used only in lieu of the district average, however, so that a grower who has an immature vineyard which has a high production and from which relatively heavy shipments of grapes have been made in the past would receive an exemption certificate based upon the average shipments from that vineyard during the three preceding seasons.

The provisions of the marketing agreement and order relating to the issuance of exemption certificates should be further revised by the addition of provisions making it clear that exemption certificates do not constitute an exemption from regulations limiting the volume of shipments of grapes. Exemption certificates are issued to growers to permit them to ship an equitable proportion of their crops of grapes when they otherwise would suffer undue hardship under the effective grade regulation. Such grapes, however, should be subject to any limitations on the volume of shipments of grapes the same as the grapes produced in other vineyards.

(f) The existing provisions of the marketing agreement and order require the Industry Committee to determine the marketing policy to be followed during the season. Such marketing policy

must be determined prior to making any recommendations for the regulation of shipments of grapes. Provision is also made for the exemption of shipments of grapes: for consumption by charitable agencies; for distribution for relief purposes; for distribution by a relief agency in commercial quantities for commercial conversion into by-products; in such quantities as may be established by the Industry Committee, with the approval of the Secretary, as the minimum quantity below which shipments may be made without limitation; in such types of shipments as may be established by the Industry Committee, with the approval of the Secretary, as the types of shipments which may be made without limitation. Such exempt shipments of grapes also are exempt from the assessment provisions of the marketing agreement and order.

The foregoing provisions should have the same application to the regulation of the volume of shipments of grapes as is presently the case with respect to limitations on the grade of the grapes that may be shipped, inasmuch as such provisions relieve restrictions on the handling of Tokay grapes. However, no change in the present language of these provisions is needed.

Rulings on proposed findings and conclusions. The period ending May 7, 1953, was fixed by the Hearing Examiner at the hearing as the date by which briefs must be filed by interested parties with respect to facts presented in evidence at the hearing and the conclusions which should be drawn therefrom. Such briefs were filed by the United Packing Company, Fresno, California, a handler of Tokay grapes; by H. M. Young, Lodi, California, a grower and handler of Tokay grapes; by Barbara Packing Company, Lodi, California, a grower and handler of Tokay grapes; by A. Freeman Mills, Lodi, California, a grower of Tokay grapes and Chairman of the Industry Committee; and by S. Clayton Beckman, a grower of Tokay grapes and alternate member of the Industry Committee. Each point covered in the briefs was considered carefully, along with the evidence contained in the record of the hearing, in making the findings and reaching the conclusions herein set forth. To the extent that the suggested findings and conclusions contained in the briefs are at variance with the findings and conclusions contained herein, the request to make such findings, or to reach such conclusions, are denied on the basis of the facts found and stated in connection with this decision.

General findings. (a) The marketing agreement, as hereby proposed to be amended, and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(b) The marketing agreement, as hereby proposed to be amended, and the order, as hereby proposed to be amended, regulate the handling of Tokay grapes grown in San Joaquin and Sacramento Counties in the State of California in the same manner as, and are applicable to persons in the respective classes of industrial and commercial ac-

tivity specified in, the marketing agreement upon which hearings have been held;

(c) The marketing agreement, as hereby proposed to be amended, and the order, as hereby proposed to be amended, prescribe, so far as practicable, such different terms, applicable to different parts of the production area, as are necessary to give due recognition to differences in the production and marketing of grapes covered thereby.

(d) The marketing agreement, as hereby proposed to be amended, and the order, as hereby proposed to be amended, are limited in their application to the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act; and the issuance of several orders applicable to any subdivision of the production area would not effectively carry out the declared policy of the act; and

(e) All handling of Tokay grapes which are grown in the production area is in the current of interstate or foreign commerce, or directly burdens, obstructs, or affects such commerce.

Effective March 15, 1953, the parity price for Tokay grapes grown in the production area was \$58.80 per ton on-vine. On the basis of information now available, the seasonal average price for Tokay grapes grown in the production area will not exceed the parity price level for the 1953 season.

Recommended amendments to the marketing agreement and order. The following amendments to the marketing agreement and order are recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out:

1. Add after § 951.12 *Production area* the following new definitions:

§ 951.13 *Pack.* "Pack" means to place grapes into containers for shipment to market as fresh grapes and to deliver such containers of grapes to a packing platform or shed or to a vehicle for transportation to market or storage. The term "pack" also means to place grapes into a shipping container in a packing shed.

§ 951.14 *Allotment period.* "Allotment period" means any three consecutive days commencing with such day as may be established in a regulation issued pursuant to § 951.61.

§ 951.15 *Day.* "Day" means one calendar day except that Saturday and Sunday shall be considered as one such day.

2. Delete § 951.30 *Compensation* and insert, in lieu thereof, the following:

§ 951.30 *Compensation.* The members of the Industry Committee, and the alternate members of such committee, may be reimbursed for expenses necessarily incurred by them in attending meetings of the said committee and in performing services, necessary in connection with this subpart, at the request of such committee; and they may receive compensation in an amount not in excess of \$10.00 per day for attending each such meeting and for performing

such services. The members of the Shippers' Advisory Committee, and the alternate members of such committee, may be reimbursed for expenses necessarily incurred by them in attending meetings of the said committee.

3. Amend § 951.33 *Procedure* by redesignating paragraph (b) as paragraph (c) and adding a new paragraph (b) as follows:

(b) The Industry Committee may vote by mail, telephone or telegraph: *Provided*, That any action taken by the committee on a mail, telephone, or telegraph vote shall be by unanimous vote of all members of the committee or their appropriate alternates. Any vote by telephone or telegraph shall be confirmed in writing. At any assembled meeting, all votes shall be cast in person.

4. Delete paragraph (b) of § 951.52 *Exemptions* and insert, in lieu thereof, the following:

(b) In the event the Secretary issues a regulation pursuant to § 951.51, the Industry Committee shall issue an exemption certificate to any grower who furnishes proof, satisfactory to such committee, that by reason of conditions beyond his control he will be prevented, because of the regulation issued, from shipping or having shipped in fresh fruit channels from a particular vineyard a percentage of his crop of grapes equal to (1) the average percentage of grapes, as determined by the committee, produced in and so shipped from his district during the preceding three seasons or (2) the average percentage of grapes produced in and so shipped from such vineyard during the preceding three seasons, whichever percentage is the greater. The certificate shall permit such grower to ship, or have shipped, in fresh fruit channels, a percentage of his crop of grapes from such vineyard equal to such greater percentage: *Provided*, That as to vineyards having an age of nine years or less, the committee shall each season establish, for the vineyards of each such age, the quantity of grapes, per acre, likely to be shipped from such vineyards during that season and the applicable quantity shall be used in lieu of the quantity of grapes determined by the committee pursuant to subparagraph (1) of this paragraph. In computing the aforesaid quantities that were shipped during the preceding three seasons, there shall be omitted the aggregate quantities of grapes shipped under exemption certificates.

5. Add after paragraph (d) of § 951.52 a new paragraph (e) as follows:

(e) Exemptions granted under the provisions of this section shall apply only as to regulations issued by the Secretary under § 951.51, and all shipments of grapes under exemption certificates, issued pursuant to this section, shall be subject to, and limited by, such regulations as may be effective under § 951.61 at the time of the respective shipment.

6. Delete §§ 951.60 through 951.70 together with the center headnotes which precede § 951.60 and § 951.70, and insert, in lieu thereof, the following:

REGULATION BY VOLUME

§ 951.60 *Recommendation for volume regulation.* (a) Whenever the Industry Committee finds, after investigation of the factors enumerated in paragraph (b) of this section, that the supply of grapes available for shipment exceeds the demand therefor and that it is advisable to regulate the handling of grapes pursuant to the provisions of §§ 951.60 through 951.72, it shall so recommend to the Secretary. Each such recommendation shall specify the period of time during which such regulation shall be effective and the respective total quantities of grapes which the committee deems advisable to be handled each allotment period during such period of time. The committee shall promptly report its findings and recommendations, together with supporting information, to the Secretary.

(b) In making each such recommendation, the Industry Committee shall give due consideration to the following factors: (1) Market prices for grapes; (2) supply, quality, and condition of grapes in the production area; (3) the supplies of all varieties of grapes on hand in, and en route to, the principal markets; (4) market prices and supplies of competitive fruits, including other varieties of grapes; (5) the probable daily shipments of grapes in the absence of regulation; (6) trend and level of consumer income; and (7) other relevant factors.

(c) The Industry Committee may, at any time, recommend to the Secretary that the quantity of grapes that may be handled during any such allotment period be increased or decreased, or that such regulation be terminated. Any such recommendation shall be supported by the reasons and information relied upon by the committee in making such recommendation.

(d) The Industry Committee shall give reasonable notice to growers and handlers of each meeting to consider recommendations for regulation, or for the modification or termination of regulation, pursuant to the provisions of this section. The committee shall also give prompt notice to growers and handlers of any such recommendation.

§ 951.61 *Issuance of volume regulation.* (a) Whenever the Secretary finds, from the recommendations and information submitted by the Industry Committee, or from other available information, that to limit the total quantity of grapes that may be handled during one or more allotment periods would tend to effectuate the declared policy of the act, he shall so limit the shipment of grapes. The Secretary may at any time increase or decrease the quantity of grapes which may be handled during an allotment period, or may terminate such regulation: *Provided*, That no decrease in the quantity of grapes which may be handled during an allotment period shall be made effective after the beginning of such allotment period.

(b) The Secretary shall immediately notify the Industry Committee of the issuance of each such regulation, and of each modification or termination thereof; and the committee shall give such

notice thereof as may be reasonably calculated to bring such action to the attention of growers and handlers.

§ 951.62 *Allotments.* (a) Whenever the Secretary has fixed the total quantity of grapes that may be handled during an allotment period, the Industry Committee shall compute, for each person entitled thereto, the quantity of grapes which may be shipped by such person during such period. Such quantity shall be the allotment of such person and shall be in an amount equal to the product obtained by multiplying

(1) The quantity of grapes fixed by the Secretary as the total quantity of grapes that may be handled during such allotment period, or

(2) The quantity of grapes so fixed by the Secretary less the portion thereof for allocation as adjusted allotment pursuant to § 951.65,

whichever is applicable, by such person's allotment percentage, computed in accordance with § 951.64. The Industry Committee shall notify each such person of his allotment on the day immediately preceding the allotment period.

(b) No person shall ship grapes during any allotment period when grapes are regulated pursuant to § 951.61 unless such person has allotment or adjusted allotment, pursuant to §§ 951.62 through 951.72, to ship such grapes: *Provided*, That allotment shall not be required to deliver grapes to a refrigerated storage warehouse, for storage purposes, within the State of California.

§ 951.63 *Application for allotment.*

(a) Each person who proposes to ship grapes as the first handler thereof during any period in which grapes may be regulated pursuant to § 951.61 shall submit to the Industry Committee, at such time and in such manner as the committee may prescribe, a written application for allotment. Such application shall be substantiated in such manner and shall be supported by such information as the committee may require, including (1) an accurate description of the location of each vineyard, or portion thereof, from which grapes will be handled by the applicant during the current season; (2) the number of acres and the age of the vines in each such vineyard or portion thereof; (3) the name and address of the producer, or authorized agent, for each such vineyard or portion thereof; (4) the number of standard packages of grapes shipped from each such vineyard, or portion thereof, during each of the two preceding seasons; and (5) information identical to that required in subparagraphs (1) through (4) of this paragraph with respect to all other vineyards or portions thereof from which the applicant shipped grapes during either or both of the two preceding seasons. If the applicant does not have the record of shipments of grapes from a particular vineyard or vineyards but can furnish the record for a group of vineyards of which such vineyard or vineyards are a part, he shall set forth such record in his application and the shipments from each such vineyard shall be considered to be equal to the product obtained by multiplying the number of acres con-

tained in that vineyard by the average shipments per acre for such group.

(b) The Industry Committee shall check the accuracy of the information submitted pursuant to paragraph (a) of this section and of § 951.75. If the committee finds that there is an error, omission, or inaccuracy in such information, it shall correct the same and shall notify the applicant, giving the reasons therefor. Upon request, the applicant shall be given an opportunity to discuss with the committee the factors considered in making the correction. If it is determined that an error, omission, or inaccuracy has resulted in a person receiving more or less allotment than that to which such person is entitled under the provisions of this subpart, such person's allotment shall be adjusted, over such period as may be determined by the committee, to the extent required to offset the error, omission, or inaccuracy.

§ 951.64 *Allotment percentage.* (a) The allotment percentage, of each applicant entitled thereto, for each allotment period shall be seventy-five percent of the percentage obtained by dividing the total grape shipments from such applicant's vineyards, as reported pursuant to subparagraphs (1) through (4) of § 951.63 (a) by the total grape shipments during the preceding two years from vineyards of all applicants, plus twenty-five percent of the percentage obtained by dividing the total quantity of grapes packed by or for such applicant during the three days preceding the day which immediately precedes the allotment period by the total quantity of grapes packed by or for all applicants during such three-day period: *Provided*, That, with respect to the first allotment period each season, the percentage based upon grapes packed shall be computed by using the applicable quantities of grapes packed during the six days preceding the day which immediately precedes such allotment period.

(b) If a person gains or loses the right to ship grapes from a vineyard by reason of a grower's transfer of his grapes from one person to another, there shall be a corresponding increase or decrease in that portion of the respective person's allotment percentage which is based on previous shipments. The person gaining the right to ship grapes may submit an application to the Industry Committee for such increase, accompanied by a verification of the transfer by the grower or the person losing the right to ship such grapes. Such increase and decrease shall not be effective for any allotment period unless such application is received by the committee at least two days prior to such period.

(c) An allotment percentage shall be computed for, and allotment issued to, a person only if such person has made application therefor in accordance with the provisions of this section.

§ 951.65 *Adjustment of allotment.* A portion of the total quantity of grapes fixed by the Secretary as the quantity of grapes that may be handled during an allotment period shall be allocated, as adjusted allotment, to handlers in accordance with the provisions of this section.

(a) Each season, prior to recommending regulation pursuant to § 951.60, the Industry Committee shall establish the quantity of grapes, per acre, which is likely to be shipped during the current season from mature vineyards and separate quantities for vineyards from nine years to one year of age, respectively. In establishing these quantities, the committee shall consider (1) the estimated production of grapes for the current season; (2) the average number of standard packages of grapes, per acre, shipped from the production area during preceding seasons; (3) the estimated total acreage of grapes in the production area during the current and past seasons; (4) the acreage of grapes which have been thinned; (5) production records of mature vineyards and of vineyards from nine years to one year of age; and (6) other relevant factors.

(b) Adjusted allotment shall be allocated to handlers proposing to ship grapes, as first handlers thereof (1) from a vineyard from which grapes were not shipped during one or both of the two preceding seasons (2) from a vineyard for which records of shipments during one or both of such seasons are not available, or (3) from a vineyard with less shipments per acre during one or both of such seasons than the quantity established by the Industry Committee in accordance with paragraph (a) of this section for vineyards of similar age. The amount of adjusted allotment so allocated to a handler shall be equal to the difference between the allotment to which such handler is entitled pursuant to the provisions of paragraph (a) (1) of § 951.62 and the allotment to which such handler would be entitled pursuant to the provisions of said paragraph (a) (1) of § 951.62 if the previous shipments from such vineyard were equal to the applicable quantity established by the committee in accordance with paragraph (a) of this section: *Provided*, That in no event shall such amount exceed the amount of adjusted allotment requested by such handler.

(c) Any handler entitled to adjusted allotment may apply to the Industry Committee, on forms prescribed by it, for such allotment. Such application shall be filed with the committee at least two days prior to the first allotment period for which he desires adjusted allotment and shall contain the following information: (1) The identity of each vineyard for which adjusted allotment is requested; (2) the allotment period, or periods, for which such allotment is requested; and (3) the quantity of adjusted allotment requested for each such period.

(d) Any handler, to whom adjusted allotment is allocated for a vineyard, who fails to pack, or have packed, grapes from such vineyard to the extent of at least fifty percent during the first such allotment period, and eighty percent during each subsequent allotment period, of the applicable adjusted allotment, in addition to that portion of his allotment that is based on previous shipments from such vineyard, shall have deducted from allotment issued to him during the next allotment period an amount equivalent to such adjusted al-

lotment. In addition, such handler shall not be entitled to adjusted allotment with respect to such vineyard unless such handler again applies for adjusted allotment therefor as provided in paragraph (c) of this section. Any quantity of grapes packed from a vineyard during an allotment period in excess of the quantity required to be packed pursuant to this paragraph may be carried forward and used in subsequent allotment periods to meet the packing requirements of this paragraph with respect to such vineyard.

§ 951.66 *Daily shipments during an allotment period.* A handler's daily allotment for any day of an allotment period shall be one-third of the total allotment (including adjusted allotment) issued to him for such allotment period; and a handler's shipments of grapes during any day of such period shall not exceed his daily allotment except by reason of allotment available as the result of the following: (a) An undershipment as provided in § 951.67; (b) an overshipment as provided in § 951.68; (c) an allotment loan as provided in § 951.69; (d) the repayment of allotment as provided in § 951.69.

§ 951.67 *Undershipments.* If, during any day within an allotment period, a handler ships grapes in an amount less than his daily allotment, he may ship during the remainder of such period, or during the allotment period beginning on the next day, a quantity of grapes equal to such undershipment: *Provided*, That the amount of undershipment which such handler may ship on any one day shall not exceed the equivalent of such percentage of the total allotment issued to him for the allotment period during which such undershipment occurred as shall be established by the Industry Committee, or 1,105 standard packages of grapes, whichever is the greater.

§ 951.68 *Overshipments.* During any day within an allotment period, a handler may ship, in addition to his daily allotment, a quantity of grapes equivalent to such percentage of the total allotment issued to him for such period as shall be established by the Industry Committee, or 1,105 standard packages of grapes, whichever is the greater: *Provided*, That overshipments during an allotment period shall be offset by undershipments during such period so that the net overshipment during such period shall not exceed the equivalent of 500 standard packages of grapes. Any such overshipment during an allotment period shall be deducted from the total allotment issued to such handler for the allotment period beginning on the next day.

§ 951.69 *Allotment loans.* (a) A person to whom allotment has been issued may lend such allotment to another person to whom allotment has also been issued. Such loans shall be confirmed to the Industry Committee by each such person within twenty-four hours after the loan agreement has been entered into; and each such agreement shall provide for the repayment of the loan during a specified allotment period of the

current marketing season when shipments of grapes are regulated pursuant to § 951.61.

(b) An allotment may be loaned for use only during the allotment period for which such allotment is issued. Persons to whom allotment is repaid may use such allotments only during the allotment period in which the repayment is made.

(c) No allotment which is loaned may again be loaned by the borrower.

(d) The Industry Committee may act on behalf of persons desiring to arrange allotment loans. In each case, the committee shall confirm such transactions immediately after the completion thereof by memorandum addressed to the respective persons, which memorandum shall satisfy the confirmation requirements of paragraph (a) of this section.

(e) Except as provided in this section and in § 951.71, allotments are not transferable.

§ 951.70 *Priority of allotment.* Shipments during an allotment period shall first be applied against allotment issued for such allotment period before being applied against allotment available by reason of an undershipment, allotment loan, or repayment of allotment, in that order.

§ 951.71 *Assignment of allotment.* In connection with each handling of grapes which requires allotment, each handler shall, except with respect to shipments by rail car, at the time of shipment issue to the consignee or purchaser or agent thereof, an assignment of allotment certificate covering each quantity of grapes so handled. Such assignment of allotment certificate shall be on the form, and distributed in the manner, prescribed by the Industry Committee and shall contain the following information: (1) Date of shipment; (2) name and address of consignee or purchaser; (3) number of standard packages of grapes or the equivalent thereof in weight; (4) destination of shipment; (5) the license number or numbers of the truck and trailer transporting such grapes from the handler's place of business; and (6) the name of the handler issuing the assignment certificate. Such assignment shall also contain a certification to the United States Department of Agriculture and to the Industry Committee as to the truthfulness of the information shown thereon.

§ 951.72 *Right of appeal.* If any grower or handler is dissatisfied with any action taken by the Industry Committee pursuant to §§ 951.60 through 951.72, such grower or handler may appeal to the Secretary. *Provided*, That such appeal shall be made promptly. Any such appeal shall be made by filing with the Industry Committee a written notice of appeal stating the grounds upon which the appeal is made. Thereupon, the Industry Committee shall review the action being contested and shall determine whether and to what extent its original action should be revised. If the committee affirms its original action, it shall promptly forward the notice of appeal to the Secretary together with all data and information applicable thereto.

The Secretary may, upon an appeal made as aforesaid, affirm, modify, or reverse the action of the Industry Committee and such action by the Secretary shall be final.

7. Delete § 951.75 *Reports* and insert, in lieu thereof, the following:

§ 951.75 *Reports*. For the purpose of enabling the Industry Committee to perform its functions under this subpart, each handler shall furnish, or authorize any or all railroad, transportation, and cold storage agencies to furnish, to the confidential employees of the Industry Committee, complete information, in such form and at such times and substantiated in such manner as shall be prescribed by the Industry Committee, with regard to each shipment of grapes. Such information may include (a) a report of all grapes packed by or for such handler; (b) a report of each shipment outside the production area, except the delivery of grapes to a refrigerated storage warehouse for storage purposes within the State of California, which report shall include all grapes shipped from such storage and shall contain with respect to each such shipment the date and time of shipment, the name and address of the shipper, the car or truck license number, the number of standard packages of grapes or the billing weight thereof, the grade of such grapes, the name of the grower for whom such grapes are shipped, the place where the shipment originated, the destination and any diversion of the shipment made through any and all agencies; (c) a report of each delivery of grapes to a refrigerated storage warehouse, for storage purposes, within the State of California showing the name and address of the shipper, the location of the storage warehouse, and the number of standard packages of grapes or the billing weight thereof; (d) a report of each shipment made within the area of production showing the name and address of the shipper, the name and address of the consignee or purchaser, and the number of standard packages of grapes or the billing weight of the shipment; (e) a report by vineyards of all grapes packed from vineyards for which adjusted allotment was issued under the provisions of § 951.65; and (f) such other reports as the Industry Committee may require. Such information may be compiled by the confidential employees and made available in summary form to all handlers and other interested persons who request a copy thereof: *Provided*, That such compilation or summary shall not reveal the identity of the individual furnishing the information. Such confidential employees shall not disclose, to any person other than the Secretary, any information that may be obtained pursuant to this section, except in the aforesaid manner.

Filed at Washington, D. C., this 23d day of June 1953.

[SEAL] ROY W. LEMNARTSON,
Assistant Administrator, Pro-
duction and Marketing Ad-
ministration.

[F. R. Doc. 53-5670; Filed, June 25, 1953;
8:53 a. m.]

[7 CFR Part 989]

HANDLING OF RAISINS PRODUCED FROM RAISIN VARIETY GRAPES GROWN IN CALIFORNIA

NOTICE OF PROPOSED RULE MAKING WITH RESPECT TO AMENDMENT OF AMENDED AD- MINISTRATIVE RULES AND REGULATIONS

Notice is hereby given that the Secretary of Agriculture is considering the approval of a proposed amendment submitted by the Raisin Administrative Committee and set forth hereinafter, of the amended administrative rules and regulations issued pursuant to the applicable provisions of Marketing Agreement No. 109 and Marketing Order No. 89 (7 CFR, 1952 Rev., Part 989) regulating the handling of raisins produced from raisin variety grapes grown in California, effective under the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.)

Consideration will be given to any data, views, or arguments pertaining thereto which are filed in triplicate with the Director, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., and received not later than the close of business on the tenth day after the date of publication of this notice in the FEDERAL REGISTER, except that, if said tenth day after publication should fall on a legal holiday or Saturday or Sunday, such submission will be received by the Director not later than the close of business on the next following business day. The proposed amendment is as follows:

1. Amend the provisions of § 989.166 of the amended administrative rules and regulations by adding, immediately after paragraph (b) thereof, a new paragraph (c) to read as follows:

(c) *Separate storage*. Each handler shall store separate and apart from other raisins, and from each other, each varietal type of reserve tonnage raisins and each varietal type of surplus tonnage raisins acquired by him and held for the account of the committee pursuant to the provisions of § 989.66. Handlers shall be allowed three calendar days (exclusive of Saturdays, Sundays and legal holidays) after acquisition of any reserve tonnage or surplus tonnage

raisins to segregate and properly stack each varietal type.

Issued at Washington, D. C., this 22d day of June 1953.

[SEAL] S. R. SMITH,
Director
Fruit and Vegetable Branch.

[F. R. Doc. 53-5640; Filed, June 25, 1953;
8:47 a. m.]

[P. & S. Docket No. 1533]

CHATTANOOGA UNION STOCK YARDS

NOTICE OF PETITION FOR MODIFICATION OF RATE ORDER

Pursuant to the provisions of the Packers and Stockyards Act, 1921, as amended (7 U. S. C. 181 et seq.) an order was issued on August 4, 1952 (11 A. D. 699) authorizing the respondent's predecessor to file and put into effect to and including August 1, 1953, the current schedule of rates and charges. By an order issued on January 6, 1953 (12 A. D. 27), the Chattanooga Union Stock Yards was substituted as respondent in the place of Joe Allison Stock Yards, Inc., the former respondent, and was made subject to all orders in this proceeding.

By a petition filed on June 17, 1953, respondent has requested authority to modify the current schedule of rates and charges in the respects set forth below and to assess the current schedule as so modified until August 1, 1955. The modifications requested are as follows:

	Present rates per head		Proposed rates per head	
	Com- mision	Yard- age	Com- mision	Yard- age
Sheep and lambs.....	\$0.25	\$0.15	\$0.40	\$0.25

The proposed rates, if authorized, will produce additional revenue for the respondent and increase the cost of marketing livestock. It appears, therefore, that this public notice of the filing of the petition and its contents should be given in order that all interested persons may have an opportunity to indicate a desire to be heard in the matter.

All interested persons who desire to be heard in the matter shall notify the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., within 15 days after the publication of this notice.

Done at Washington, D. C., this 22d day of June 1953.

[SEAL] AGNES B. CLARKE,
Hearing Clerk.

[F. R. Doc. 53-5639; Filed, June 25, 1953;
8:47 a. m.]

NOTICES

DEPARTMENT OF THE TREASURY

Fiscal Service, Bureau of Accounts

[Dept. Circ. 570, Rev. Apr. 20, 1943, 1953, 89th Supp.]

PROVIDENCE WASHINGTON INSURANCE CO.,
PROVIDENCE, R. I.

SURETY COMPANIES ACCEPTABLE ON FEDERAL
BONDS

JUNE 22, 1953.

A Certificate of Authority has been issued by the Secretary of the Treasury to the following company under the act of Congress approved July 30, 1947, 6 U. S. C. secs. 6-13, as an acceptable surety on Federal bonds. An underwriting limitation of \$1,531,000.00 has been established for the company. Further details as to the extent and localities with respect to which the company is acceptable as surety on Federal bonds will appear in the next issue of Treasury Department Form 356, copies of which, when issued, may be obtained from the Treasury Department, Bureau of Accounts, Surety Bonds Branch, Washington 25, D. C.

NAME OF COMPANY, LOCATION OF PRINCIPAL
EXECUTIVE OFFICE AND STATE IN WHICH
INCORPORATED

RHODE ISLAND

Providence Washington Insurance Com-
pany, Providence.

[SEAL] A. N. OVERBY,
Acting Secretary of the Treasury.

[F. R. Doc. 53-5663; Filed, June 25, 1953;
8:51 a. m.]

DEPARTMENT OF DEFENSE

Office of the Secretary

DIRECTOR, OFFICE OF ADMINISTRATIVE
SERVICES

DELEGATION OF AUTHORITY

JUNE 1, 1953.

Pursuant to the authority vested in me by section 202 (f) of the National Security Act of 1947, as amended, 5 U. S. C. 171a, the following authorities are hereby delegated, under the direction of the Assistant Secretary of Defense (Manpower and Personnel) to the Director, Office of Administrative Services or in the event of the absence or incapacity of the Director to the person acting for him:

1. Authority to administer oaths of office incident to entrance into the executive branch of the Federal Government, or any other oath required by law in connection with employment therein, in accordance with provisions of the act of June 26, 1943, 5 U. S. C. 16a.

2. Authority with respect to the administration and payment of cash awards to civilian officers or employees (or to their estates) who make meritorious suggestions, which will result in improvement or economy and which have been adopted for use in accordance with

the provisions of Public Law 600, 79th Congress, and Executive Order 9817, December 31, 1946.

3. Authority to administer the affairs of the Welfare and Recreation Association of the Office of the Secretary of Defense.

4. Authority to authorize and approve overtime work for civilian officers and employees of the Office of the Secretary of Defense in accordance with the provisions of § 25.141 of the Federal Employment Pay Regulations.

5. Authority to authorize and approve travel for employees of the Office of the Secretary of Defense in accordance with the Standardized Government Travel Regulations, as amended August 1, 1952.

6. Authority to develop, establish and maintain an active and continuing Records Management Program, pursuant to the provisions of Public Law 754, 81st Congress, Federal Records Act of 1950.

7. Authority to act as custodian of the seal of the Department of Defense and to attest to the authenticity of official records of the Department of Defense under said seal.

8. Authority to enter into contracts for supplies, equipment and services (including personal services) for the Office of the Secretary of Defense.

9. Authority to approve contractual instruments of the Department of Defense Concessions Committee and to maintain general supervision of said Committee.

The authorities vested in the delegate named herein may be redelegated by him as appropriate.

All previous delegations of authority pertaining to matters delegated herein are hereby revoked.

C. E. WILSON,
Secretary of Defense.

[F. R. Doc. 53-5635; Filed, June 25, 1953;
8:46 a. m.]

DEPARTMENT OF AGRICULTURE

Production and Marketing
Administration

J. A. WEIGAND COMMISSION Co.

DEPOSTING OF STOCKYARD

It has been ascertained that the J. A. Weigand Commission Company, La Crosse, Kansas, originally posted on April 17, 1950, as being subject to the Packers and Stockyards Act, 1921, as amended (7 U. S. C. 181 et seq.) no longer comes within the definition of a stockyard under said act. The owners of such stockyard have discontinued operating a public market at the place at La Crosse, Kansas, originally posted. Therefore, notice is given to the owners of the stockyard and to the public that such livestock market, originally posted on April 17, 1950, is no longer subject to the provisions of the act.

Notice of public rule making has not preceded promulgation of the foregoing rule since it is found that the giving of such notice would prevent the due and

timely administration of the Packers and Stockyards Act and would, therefore, be impractical. There is no legal warrant or justification for not depositing promptly a stockyard which no longer is within the definition of that term contained in said act.

The foregoing rule is in the nature of a rule granting an exemption or relieving a restriction and, therefore, may be made effective in less than 30 days after publication thereof in the FEDERAL REGISTER. This notice shall become effective upon publication in the FEDERAL REGISTER.

(42 Stat. 159, as amended and supplemented;
7 U. S. C. 181 et seq.)

Done at Washington, D. C., this 22d day of June 1953.

[SEAL] H. E. REED,
*Director, Livestock Branch, Pro-
duction and Marketing Ad-
ministration.*

[F. R. Doc. 53-5671; Filed, June 25, 1953;
8:53 a. m.]

WAGE RATES IN SUGARCANE INDUSTRY

NOTICE OF HEARING AND DESIGNATION OF
PRESIDING OFFICERS

Pursuant to the authority contained in subsections (c) (1) and (c) (2) of section 301 of the Sugar Act of 1948, as amended (61 Stat. 929; 7 U. S. C., Sup. 1131), notice is hereby given that a public hearing will be held at Thibodaux, Louisiana, in the Grand Theater, on July 16, 1953 at 9:30 a. m.

The purpose of such hearing is to receive evidence likely to be of assistance to the Secretary of Agriculture in determining (1) pursuant to the provisions of section 301 (c) (1) of said act, fair and reasonable wage rates for persons employed in the harvesting of the 1953 crop of sugarcane and in the production and cultivation of sugarcane during the calendar year 1954, and (2), pursuant to the provisions of section 301 (c) (2) of said act, fair and reasonable prices for the 1953 crop of sugarcane to be paid, under either purchase or toll agreements, by processors who as producers apply for payments under said act.

In the interest of obtaining the best possible information, all interested persons are requested to appear at the hearing to express their views and present appropriate data in regard to wages and prices. While testimony on all points relative to the subject matters of the hearing is desired, it is especially desirable that in connection with fair and reasonable wage rates, interested persons be prepared to make recommendations on the subjects of (1) the establishment of hourly wage rates in the determination, instead of rates per 9-hour day, (2) the issuance of one wage determination covering the harvesting of the 1953 crop and the production and cultivation work during the calendar year 1954 rather than two determinations as

in the past, (3) compensable working time, and (4) the furnishing to workers of equipment necessary to perform work assignments. To assist interested parties in making recommendations with respect to the latter two items, the following specifications are suggested for consideration:

Compensable working time. Compensable working time includes all time which the worker spends in the performance of his duties except time taken out for meals during the day. Compensable working time commences at the time the worker is required to start work. If the worker is required by the producer to report to a place other than the field, such as an assembly point, stable, tractor shed, etc., time spent in transit to the field is compensable working time. Any time spent in performing work directly related to the principal work performed by the worker, such as servicing equipment, is compensable working time. Time of the worker while being transported from a central recruiting point or labor camp to the farm is not compensable working time. Compensable working time ends upon completion of work in the field except for the operator of mechanical equipment, the driver of animals or any other class of worker who is required by the producer to return to a designated place on the farm. In such cases, time spent in transit to such point is compensable working time.

Equipment necessary to perform work assignment. The producer shall furnish without cost to the worker any equipment required in the performance of any work assignment. However, a charge may be made for equipment furnished any worker for the cost of such equipment in the event of its loss or destruction through negligence of the worker. Equipment includes, but is not limited to, hand and mechanical tools and special wearing apparel, such as boots and raincoats, required to discharge the work assignment.

The hearing, after being called to order at the time and place mentioned herein, may be continued from day to day within the discretion of the presiding officers and may be adjourned to a later day or to a different place without notice other than the announcement thereof at the hearing by the presiding officers.

A. A. Greenwood and Ward S. Stevenson are hereby designated as presiding officers to conduct either jointly or severally the foregoing hearing.

Issued this 23d day of June 1953.

[SEAL] LAWRENCE MYERS,
Director Sugar Branch.

[F. R. Doc. 53-5672; Filed, June 25, 1953;
8:53 a. m.]

DEPARTMENT OF COMMERCE

Civil Aeronautics Administration

REGIONAL OFFICES

TRANSFER OF FUNCTIONS

Effective June 1, 1953, the functions of the Aviation Safety Division of the Regional Offices at Fort Worth, Texas,

and Kansas City, Missouri, with respect to activities within the States of New Mexico, Wyoming, and Colorado will be performed by the Aviation Safety Division of the Regional Office at Los Angeles, California.

Effective June 1, 1953, the functions of the Legal Division of the Regional Offices at Fort Worth, Texas, and Kansas City, Missouri, with respect to activities within the States of New Mexico, Wyoming, and Colorado will be performed by the Legal Division of the Regional Office at Los Angeles, California.

Effective June 1, 1953, the functions of the Airways Operations Division of the Regional Offices at Fort Worth, Texas, and Kansas City, Missouri, with respect to activities within the States of New Mexico, Wyoming, and Colorado will be performed by the Airways Operations Division of the Regional Office at Los Angeles, California.

Effective June 8, 1953, the functions of the Airways Operations Division of the Regional Office at Seattle, Washington, with respect to activities within the States of Washington, Oregon, Idaho, and Montana will be performed by the Airways Operations Division of the Regional Office at Los Angeles, California.

Effective June 8, 1953, the functions of the Aviation Safety Division of the Regional Office at Chicago, Illinois, with respect to activities within the States of Illinois, Indiana, Michigan, Minnesota, North Dakota, and Wisconsin will be performed by the Aviation Safety Division of the Regional Office at Kansas City, Missouri.

Effective June 12, 1953, the functions of the Airways Operations Division of the Regional Office at Chicago, Illinois, with respect to activities within the States of Illinois, Indiana, Michigan, Minnesota, North Dakota, and Wisconsin will be performed by the Airways Operations Division of the Regional Office at Kansas City, Missouri.

Effective June 15, 1953, the functions of the Airports Division of the Regional Offices at Fort Worth, Texas, and Kansas City, Missouri, with respect to activities within the States of New Mexico, Wyoming, and Colorado will be performed by the Airports Division of the Regional Office at Los Angeles, California.

Effective June 15, 1953, the functions of the Legal Division of the Regional Office at Chicago, Illinois, with respect to activities within the States of Illinois, Indiana, Michigan, Minnesota, North Dakota, and Wisconsin will be performed by the Legal Division of the Regional Office at Kansas City, Missouri.

Effective June 18, 1953, all functions of the Regional Office at Atlanta, Georgia, with respect to activities within the States of Tennessee, North Carolina, Mississippi, Alabama, Georgia, South Carolina and Florida, and Puerto Rico and the Virgin Islands will be performed by the Regional Office at Fort Worth, Texas.

Effective June 30, 1953, the functions of the Facilities Division of the Regional Offices at Fort Worth, Texas, and Kansas City, Missouri, with respect to activities within the States of New Mexico, Wyoming, and Colorado will be per-

formed by the Facilities Division of the Regional Office at Los Angeles, California.

Effective July 1, 1953, the functions of the Business Administration Division of the Regional Offices at Fort Worth, Texas, and Kansas City, Missouri, with respect to activities within the States of New Mexico, Wyoming, and Colorado will be performed by the Business Administration Division of the Regional Office at Los Angeles, California.

These actions are taken pursuant to the second introductory paragraph of the notice on Organization and Functions published on May 14, 1953, in 18 F. R. 2798. The functions of a Regional Office, and of the Divisions of a Regional Office, are described in section 43 of the Organization and Functions of the Civil Aeronautics Administration, published on April 5, 1951, in 16 F. R. 2975, as amended on August 9, 1952, in 17 F. R. 7304.

[SEAL] F. B. LEE,
Administrator of Civil Aeronautics.

[F. R. Doc. 53-5634; Filed, June 25, 1953;
8:45 a. m.]

FEDERAL POWER COMMISSION

[Docket No. E-6503]

COMMUNITY PUBLIC SERVICE CO.

NOTICE OF ORDER AUTHORIZING ISSUANCE OF
SHORT TERM PROMISSORY NOTES

JUNE 22, 1953.

Notice is hereby given that on June 19, 1953, the Federal Power Commission issued its order adopted June 18, 1953, authorizing issuance of short-term promissory notes in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-5652; Filed, June 25, 1953;
8:49 a. m.]

[Docket Nos. G-1116, G-1152, G-1240, G-1317,
G-1344, G-1379, G-1415, G-1417, G-1457,
G-1509, G-1616, G-1625, G-1659]

PANHANDLE EASTERN PIPE LINE CO. ET AL.

NOTICE OF EXTENSION OF TIME

JUNE 19, 1953.

In the matters of Panhandle Eastern Pipe Line Company, Docket Nos. G-1116, G-1240, G-1317, G-1344, and G-1417; City of Port Huron, Michigan, et al., Docket No. G-1152; Southeastern Michigan Gas Company, Michigan Consolidated Gas Company, Docket No. G-1415; complainant, v. Panhandle Eastern Pipe Line Company, Docket No. G-1379; defendant, Northern Indiana Fuel and Light Company, Docket No. G-1457; Missouri Central Natural Gas Company, Docket No. G-1509; The Central West Utility Company, Docket No. G-1616; Michigan Gas Utilities Company, Docket No. G-1625; City of Auburn, Illinois, Docket No. G-1659.

Upon consideration of the request of Counsel for Panhandle Eastern Pipe Line Company filed June 15, 1953, in the above-designated matters;

Notice is hereby given that an extension of time to and including August 21, 1953, is granted for filing a certified copy of an order of the Kansas Corporation Commission for which Exhibit No. 609 was reserved.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-5651; Filed, June 25, 1953;
8:49 a. m.]

[Docket No. G-1676]

SOUTHERN NATURAL GAS CO.

NOTICE OF EXTENSION OF TIME

JUNE 19, 1953.

Upon consideration of the petitions of the Town of Bowdon and the Town of Dallas and the joinder to each by Southern Natural Gas Company, filed June 1, 1953, to amend the order entered September 3, 1952, in the above-designated matter;

Notice is hereby given that an extension of time to and including December 31, 1954, is granted within which Southern Natural Gas Company shall complete the construction of the metering and regulating facilities for services to the Towns of Bowdon and Dallas. Paragraph C of said order is amended accordingly.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-5653; Filed, June 25, 1953;
8:49 a. m.]

[Docket No. G-1940]

OHIO VALLEY GAS CORP.

NOTICE OF EXTENSION OF TIME

JUNE 19, 1953.

Upon consideration of the request of Counsel for Ohio Valley Gas Corporation, filed June 17, 1953, in the above-designated matter:

Notice is hereby given that an extension of time to and including July 20, 1953, is granted within which Applicant shall furnish to the Commission a firm commitment for financing its project as required by Paragraph (B) (2) of said order and an extension of time is hereby granted to and including November 1, 1953, within which Applicant shall undertake the construction of and regularly perform the services authorized by Paragraph (C) (1) of the order entered January 27, 1953. Paragraphs (B) (2) and (C) (1) of said order are amended accordingly.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-5654; Filed, June 25, 1953;
8:50 a. m.]

[Docket No. G-2179]

ARKANSAS LOUISIANA GAS CO.

NOTICE OF APPLICATION

JUNE 22, 1953.

Take notice that on May 28, 1953, Arkansas Louisiana Gas Company (Ap-

plicant) a Delaware corporation with its principal place of business in Shreveport, Louisiana, filed an application for a certificate of public convenience and necessity, authorizing the construction and operation of a tap on its Line AM-46 at approximately Station 2165+46, with meter, regulator and scrubber facilities at that point.

Applicant proposes to construct and operate the described facilities for the purpose of transporting natural gas to a local distribution system proposed to be constructed by the town of Foreman, Arkansas, in the town thereof, and operated by Applicant under a 20-year lease, at an annual rental of \$21,750. Applicant will also receive from Foreman a franchise for the operation of the local distribution system, and an option covering the purchase thereof.

The application recites that at the end of 5 years Applicant will be serving 292 domestic and 115 commercial customers with an annual consumption of 80 Mcf and 170 Mcf respectively.

The estimated cost of the facilities proposed is \$2,095 and will be paid out of Applicant's cash reserves.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the Commission's rules of practice and procedure (18 CFR 1.8 and 1.10) on or before the 11th day of July, 1953. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-5655; Filed, June 25, 1953;
8:50 a. m.]

[Docket No. G-2184]

EL PASO NATURAL GAS CO.

NOTICE OF APPLICATION

JUNE 22, 1953.

Take notice that El Paso Natural Gas Company (Applicant) a Delaware corporation, having its principal place of business in El Paso, Texas, filed on June 4, 1953, an application for a certificate of public convenience and necessity authorizing the construction and operation of facilities subject to the jurisdiction of the Commission. The facilities for which authorization is sought consist of a main line tap to be located on Applicant's existing 30-inch cross-over line in Mohave County, Arizona.

Applicant proposes to construct and operate the described facilities for the purpose of selling and delivering natural gas to Southern Union Gas Company for resale to Arizona Highway Department residents near Topock, Mohave County, Arizona.

The estimated capital cost of the proposed facilities is \$290.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 11th day of July 1953.

The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-5656; Filed, June 25, 1953;
8:50 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 5067 et al.]

PACIFIC NORTHWEST-ALASKA TARIFF
INVESTIGATION

NOTICE OF ORAL ARGUMENT

Notice is hereby given pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that oral argument in the above-entitled proceeding is assigned to be held on July 21, 1953, at 10:00 a. m., e. d. s. t., in Room 5042, Commerce Building, Constitution Avenue, between Fourteenth and Fifteenth Streets NW., Washington, D. C., before the Board.

Dated at Washington, D. C., June 23, 1953.

[SEAL] FRANCIS W BROWN,
Chief Examiner

[F. R. Doc. 53-5661; Filed, June 25, 1953;
8:51 a. m.]

[Docket No. 5132 et al.]

PENINSULAR AIR TRANSPORT; LARGE
IRREGULAR AIR CARRIER INVESTIGATION

NOTICE OF ORAL ARGUMENT RE DISMISSAL OF
APPLICATION

In the matter of the investigation of air services by large irregular carriers and irregular transport carriers.

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that oral argument with respect to the dismissal of the application of Peninsular Air Transport, Docket No. 3868, heretofore consolidated in the above-entitled proceeding, is assigned to be held on June 30, 1953, at 10:00 a. m., e. d. s. t., in Room 5042, Commerce Building, Constitution Avenue, between Fourteenth and Fifteenth Streets NW., Washington, D. C., before the Board.

Dated at Washington, D. C., June 22, 1953.

[SEAL] FRANCIS W BROWN,
Chief Examiner

[F. R. Doc. 53-5662; Filed, June 25, 1953;
8:51 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3079]

GENERAL PUBLIC UTILITIES CORP. ET AL.
ORDER AUTHORIZING CAPITAL CONTRIBUTION,
AND ISSUANCE, SALE AND ACQUISITION OF
SECURITIES

JUNE 19, 1953.

In the matter of General Public Utilities Corporation, Associated Electric Company, Pennsylvania Electric Company, File No. 70-3079.

General Public Utilities Corporation ("GPU") a registered holding company, Associated Electric Company ("Aelec") subsidiary of GPU and also a registered holding company, and Pennsylvania Electric Company ("Penelec") subsidiary of Aelec and an operating utility company, having filed a joint application-declaration and an amendment thereto pursuant to sections 6 (b) 9 (a) 10 and 12 of the act and Rules U-45 and U-50 thereunder, with respect to the following transactions:

A. Penelec proposes to issue and sell for cash, after competitive bidding in accordance with the requirements of Rule U-50, \$12,500,000 principal amount of First Mortgage Bonds, — Percent Series due 1933 ("New Bonds") The New Bonds will be issued under the Mortgage and Deed of Trust dated as of January 1, 1942, between Penelec and Bankers Trust Company, Trustee, as heretofore amended and supplemented, and as further amended and supplemented by a Supplemental Indenture to be dated June 1, 1953.

B. Prior to or simultaneously with its issuance and sale of the New Bonds, Penelec also proposes to issue and sell to Aelec for cash, and Aelec proposes to purchase from Penelec, 365,000 additional shares of Penelec's Common Stock ("Additional Common Stock") at the par value of \$20 per share, or an aggregate of \$7,300,000.

C. To assist Aelec in financing the purchase from Penelec of the Additional Common Stock, GPU proposes to make one or more cash capital contributions to Aelec in such amounts as, in the aggregate, together with the funds which Aelec then has on hand available for the purpose, will enable Aelec to effect such purchase. It is estimated that the amount of cash which Aelec will have available from its own funds, apart from the proposed contributions by GPU, will probably be less than \$500,000.

Penelec proposes to use the proceeds from the sale of the New Bonds and Additional Common Stock, estimated at \$19,800,000, to repay bank loans of \$10,000,000 made on May 11, 1953 under its Credit Agreement of February 26, 1953 with certain banks, and to apply the balance, together with the proceeds of further bank loans aggregating \$5,400,000 to be effected under said Credit Agreement during the latter part of 1953, and funds generated by its utility operations, to the cost of its 1953 construction program and to reimburse its treasury for expenditures in connection therewith.

The total fees and expenses to be incurred by Penelec in connection with the issuance of the New Bonds and Additional Common Stock are estimated at \$83,180, including, in addition to fees imposed by law and printing and miscellaneous expenses, the following: Legal \$16,500, accounting \$4,000, indenture trustee \$6,000. The expenses of GPU and Aelec are estimated at not over \$500.

Such application-declaration having been duly filed, and notice of its filing having been duly given as prescribed by Rule U-23, and the Commission not having received a request for a hearing with

respect thereto nor having ordered such a hearing; and

It appearing to the Commission that the issue and sale of said securities by Penelec are solely for the purpose of financing the business of said company; that such issue and sale have been expressly authorized by the Pennsylvania Public Utility Commission, the regulatory commission of the State in which said company is organized and doing business; and

The Commission finding with respect to said application-declaration as amended that the applicable provisions of the act and rules thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and in the interest of investors and consumers that the said application-declaration as amended be granted and permitted to become effective forthwith, subject to the terms and conditions hereinafter stated:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that the said application-declaration as amended be and the same hereby is granted and permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24 and to the following further terms and conditions:

1. That the proposed issuance and sale of the New Bonds shall not be consummated until the results of competitive bidding and the public offering price of said securities shall have been made a matter of record in this proceeding and a further order shall have been entered by this Commission in the light of the record so completed, which order shall contain such further terms and conditions, if any, as may then be deemed appropriate, jurisdiction being reserved for the imposition thereof.

2. Jurisdiction is also reserved with respect to the payment of all fees for legal and accounting services and for the services of the indenture trustee.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 53-5594; Filed, June 24, 1953;
8:48 a. m.]

[File No. 54-191]

STANDARD GAS AND ELECTRIC CO. AND
PHILADELPHIA CO.

ORDER RELEASING JURISDICTION WITH RESPECT TO SELECTION AND COMPOSITION OF BOARD OF DIRECTORS OF OKLAHOMA GAS AND ELECTRIC COMPANY

JUNE 22, 1953.

Standard Gas and Electric Company ("Standard") a registered holding company, having filed a plan pursuant to section 11 (e) of the act; the Commission having on October 1, 1952, approved Step I of said plan providing for the retirement of Standard's Prior Preference Stock through the distribution to the holders thereof of various securities including the common stock of Okla-

homa Gas and Electric Company ("Oklahoma") a former public utility subsidiary of Standard; the United States District Court for the District of Delaware on November 7, 1952, having approved and ordered the enforcement of said Step I; and said Step I having been consummated on December 1, 1952;

The Commission's order of October 1, 1952, approving said Step I (Holding Company Act Release No. 11510) having reserved jurisdiction with respect to, among other things, the selection and composition of the Board of Directors of Oklahoma after consummation of Step I,

The Commission having been advised that representatives of Oklahoma, Standard and a committee on behalf of the holders of Standard's Prior Preference Stock have agreed upon the composition of the Board of Directors of Oklahoma, and the Commission having considered the manner of selection and the composition of the Oklahoma Board of Directors and observing no basis for adverse findings with respect thereto:

It is ordered, That the jurisdiction heretofore reserved with respect to the selection and composition of the Board of Directors of Oklahoma be, and the same hereby is, released.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 53-5637; Filed, June 25, 1953;
8:46 a. m.]

[File No. 812-827]

E. I. DU PONT DE NEMOURS AND CO.

NOTICE OF FILING REQUESTING ORDER EXEMPTING CERTAIN TRANSACTIONS BETWEEN AFFILIATES

JUNE 22, 1953.

Notice is hereby given that E. I. du Pont de Nemours and Company ("du Pont") Wilmington, Delaware, which is controlled by Christiana Securities Corporation, a registered closed-end, non-diversified investment company, which in turn is controlled by Delaware Realty and Investment Company, also a registered, closed-end, non-diversified investment company, has filed an application pursuant to section 17 (b) of the Investment Company Act of 1940 ("act") for an order exempting from the prohibitions contained in section 17 (a) of the act the following transactions, which are designed to effect a division of the assets and business of Industrias Quimicas Brasileiras "Duperlal" S. A., ("Duperlal-Brazil") a Brazilian corporation, between the beneficial owners of that company's outstanding capital stock, du Pont and Imperial Chemical Industries Limited ("ICI") a corporation of the United Kingdom:

Duperlal-Brazil is engaged, in Brazil, in manufacturing and selling various chemicals and other products, including explosives, sulfuric acid, silicate of soda and coated fabrics and zipper fasteners, and also in selling various products purchased from du Pont, ICI and other com-

panies, including agricultural chemicals, alkalis, dyestuffs and nylon. Duperial-Brazil has outstanding 126,000 shares of capital stock which are owned in equal proportions by du Pont and ICI (or their nominees). The division of Duperial-Brazil's business and assets is proposed as a step in compliance with a judgment of the United States District Court for the Southern District of New York in the case of United States of America v. Imperial Chemical Industries Limited, E. I. du Pont de Nemours and Company et al. (Civil Action 24-13) directing that du Pont and ICI terminate their joint interests in Duperial-Brazil and certain other companies owned jointly.

It is proposed to effect the division of the business and assets of Duperial-Brazil as follows:

1. Duperial-Brazil will transfer certain specified classes of assets used in its manufacturing and sales businesses as well as certain liabilities to either (i) a new corporation to be organized by Duperial-Brazil in exchange for all of the outstanding capital stock of the new corporation or (ii) an existing corporation affiliated with ICI in exchange for shares of capital stock of the existing ICI affiliate.

2. Thereafter, Duperial-Brazil will redeem the 50 percent of its outstanding capital stock held by or on behalf of ICI by transferring to ICI the capital stock of the new (or existing) corporation held by Duperial-Brazil.

Du Pont has estimated that at September 30, 1953, the anticipated segregation date, the net book value of Duperial-Brazil's assets will amount to about 208,500,000 Brazilian cruzeiros, and that under the terms of the proposed segregation of assets du Pont will retain an interest in assets with a net book value of approximately 137,275,000 cruzeiros, or 65 percent of the total net assets, and that ICI will receive an interest in assets with a net book value of 71,225,000 cruzeiros, or 35 percent of the total.

Section 17 (a) of the act prohibits an affiliated person of a registered investment company, including an affiliate of such a person, from purchasing any property from any company controlled by such registered investment company, subject to certain exceptions, unless the Commission upon application pursuant to section 17 (b) of the act, grants an exemption from the provisions of section 17 (a). The applicant states that the terms of the proposed transaction, including the consideration, are reasonable and fair and do not involve over-reaching on the part of any person concerned, and that the proposed transactions are consistent with the policy of each registered investment company concerned as recited in its registration statement and reports filed under the act and are consistent with the general purposes of the act.

Notice is further given that any interested person may, not later than July 2, 1953, at 5:30 p. m., submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature

of his interest, the reasons for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after said date, the application may be granted as provided in Rule N-5 of the rules and regulations promulgated under the act.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 53-5638; Filed, June 25, 1953;
8:46 a. m.]

INTERSTATE COMMERCE COMMISSION

[Rev. S. O. 562, Taylor's I. C. C. Order 21,
Amdt. 1]

ILLINOIS CENTRAL RAILROAD CO. AND
CHICAGO NORTH WESTERN RAILROAD CO.

REROUTING OR DIVERSION OF TRAFFIC

Upon further consideration of Taylor's I. C. C. Order No. 21 and good cause appearing therefor *It is ordered*, That:

Taylor's I. C. C. Order No. 21 be, and it is hereby, amended by substituting the following paragraph (g) for paragraph (g) thereof:

(g) *Expiration date.* This order shall expire at 11:59 p. m., July 6, 1953, unless otherwise modified, changed, suspended or annulled.

It is further ordered, That this amendment shall become effective at 11:59 p. m., June 22, 1953, and that this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement, and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., June 19, 1953.

INTERSTATE COMMERCE
COMMISSION,
CHARLES W. TAYLOR,
Agent.

[F. R. Doc. 53-5650; Filed, June 25, 1953;
8:49 a. m.]

[4th Sec. Application 28200]

CLAY FROM POINTS IN SOUTHERN TERRITORY TO POINTS IN SOUTHERN TERRITORY AND OHIO

APPLICATION FOR RELIEF

JUNE 23, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below.

Commodities involved: Clay, Kaolin or pyrophyllite, crude, carloads.

From: Producing points in Alabama, Florida, Georgia, North Carolina and South Carolina.

To: Specified points in Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia and South Point, Ohio.

Grounds for relief: Competition with rail carriers, circuitous routes, to maintain grouping, to apply rates constructed on the basis of the short line distance formula.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, ICC No. 1323, suppl. 16.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-5641; Filed, June 25, 1953;
8:47 a. m.]

[4th Sec. Application 28201]

WHOLE CORN FROM POINTS IN KANSAS AND NEBRASKA TO POINTS IN KANSAS AND MISSOURI

APPLICATION FOR RELIEF

JUNE 23, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by W. J. Prueter, Agent, for carriers parties to schedules listed below. Commodities involved: Whole corn, carloads.

From: Points in Kansas and Nebraska. To: Points in Kansas and Missouri.

Grounds for relief: Competition with rail carriers, circuitous routes, competition with motor carriers.

Schedules filed containing proposed rates: Alternate Agent, C. J. Hennings' ICC No. A-3992; F. C. Kratzmeier, Agent, ICC No. 3938, suppl. 21, Missouri Pacific Railroad Company ICC No. A-10016, suppl. 16.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their in-

terest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-5642; Filed, June 25, 1953;
8:47 a. m.]

[4th Sec. Application 28202]

DOLomite FROM GIBSONBURG, OHIO, GROUP
TO KANSAS CITY, MO.-KANS.

APPLICATION FOR RELIEF

JUNE 23, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by L. C. Schuld, Agent, for carriers parties to schedule listed below. Commodities involved: Dolomite, carloads.

From: Gibsonburg, Ohio and other points in northern Ohio grouped therewith.

To: Kansas City, Mo.-Kans.

Grounds for relief: Competition with rail carriers, circuitous routes.

Schedules filed containing proposed rates: L. C. Schuld, Agent, ICC No. 4238, suppl. 82.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-5643; Filed, June 25, 1953;
8:47 a. m.]

[4th Sec. Application 28203]

PETROLEUM PRODUCTS FROM HOLT, ALA.,
TO OFFICIAL TERRITORY
APPLICATION FOR RELIEF

JUNE 23, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below. Commodities involved: Petroleum products, carloads.

From: Holt, Ala.

To: Points in official (including Illinois) territory.

Grounds for relief: Competition with rail carriers, circuitous routes, to maintain grouping.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, ICC No. 1253, suppl. 95.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-5644; Filed, June 25, 1953;
8:48 a. m.]

[4th Sec. Application 28204]

LIQUEFIED PETROLEUM GAS FROM BATON
ROUGE, LA., TO CINCINNATI, OHIO

APPLICATION FOR RELIEF

JUNE 23, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below. Commodities involved: Liquefied petroleum gas, in steel cylinders, carloads.

From: Baton Rouge, La.

To: Cincinnati, Ohio.

Grounds for relief: Competition with rail carriers, circuitous routes.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, ICC No. 1253, suppl. 95.

Any interested person desiring the Commission to hold a hearing upon such

application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-5645; Filed, June 25, 1953;
8:48 a. m.]

[4th Sec. Application 28205]

MOTOR-RAIL RATES BETWEEN EDGEWATER
AND ELIZABETH, N. J., AND BOSTON,
MASS., AND PROVIDENCE, R. I., SUBSTITUTED SERVICE

APPLICATION FOR RELIEF

JUNE 23, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by The New York, New Haven and Hartford Railroad Company and Arlington Transportation Co.

Commodities involved: Semi-trailers, loaded or empty, on flat cars.

Between: Edgewater and Elizabeth, N. J., on the one hand, and Boston, Mass., and Providence, R. I., on the other.

Grounds for relief: Competition with motor carriers.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-5646; Filed, June 25, 1953;
8:48 a. m.]

[4th Sec. Application 28206]

MOTOR-RAIL RATES BETWEEN EDGEWATER AND ELIZABETH, N. J., AND BOSTON, MASS., SUBSTITUTED SERVICE

APPLICATION FOR RELIEF

JUNE 23, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: The New York, New Haven and Hartford Railroad Company and Bradley's Express.

Commodities involved: Semi-trailers, loaded or empty, on flat cars.

Between: Edgewater and Elizabeth, N. J., on the one hand, and Boston, Mass., on the other.

Grounds for relief: Competition with motor carriers.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL]

GEORGE W LAIRD,
Acting Secretary.

[F. R. Doc. 53-5647; Filed, June 25, 1953;
8:48 a. m.]

[4th Sec. Application 28207]

MOTOR-RAIL RATES BETWEEN BOSTON, MASS., AND PROVIDENCE, R. I., AND HARLEM RIVER, N. Y., ELIZABETH AND EDGEWATER, N. J., SUBSTITUTED SERVICE

APPLICATION FOR RELIEF

JUNE 23, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: The New York, New Haven and Hartford Railroad Company and Vogt Bros. Trucking Company.

Commodities involved: Semi-trailers, loaded or empty, on flat cars.

Between: Boston, Mass., and Providence, R. I., on the one hand, and Harlem River, N. Y., Elizabeth and Edgewater, N. J., on the other.

Grounds for relief: Competition with motor carriers.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL]

GEORGE W LAIRD,
Acting Secretary.

[F. R. Doc. 53-5648; Filed, June 25, 1953;
8:48 a. m.]

[4th Sec. Application 28208]

MAGAZINES AND PERIODICALS FROM KOKOMO, IND., TO ATLANTA, GA., BIRMINGHAM AND MONTGOMERY, ALA., AND JACKSON, MISS.

APPLICATION FOR RELIEF

JUNE 23, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. C. Schuldt, Agent, for carriers parties to his tariff ICC No. 4510, pursuant to fourth-section order No. 17220.

Commodities involved: Magazines or periodicals, also magazine parts or sections, and newspaper supplements, carloads.

From: Kokomo, Ind.

To: Atlanta, Ga., Birmingham and Montgomery, Ala., and Jackson, Miss.

Grounds for relief: Competition with rail carriers, circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL]

GEORGE W LAIRD,
Acting Secretary.

[F. R. Doc. 53-5649; Filed, June 25, 1953;
8:49 a. m.]